

supplied by him and upon such removal, the same shall become the property of the contractor.

7.11 All charges on account of GST or any other applicable taxes, duties or levies on materials obtained for the works from any source (excluding materials supplied by the company) shall be borne by the contractor. This clause may be read in conjunction with 13 (ix) of condition of contract.

7.12 The contractor shall arrange necessary electricity at his own cost for the work and his own establishment. However, if available and feasible the company may arrange electricity at one point near the work site and necessary recovery of cost of energy consumed will be made at rates prescribed by the company from time to time. Energy meter for this purpose shall be provided by the contractor.

7.13 The contractor shall arrange necessary water for the work and his own establishment and nothing extra will be paid for the same. Such water used by the contractor shall be fit for construction purposes. However, if available and feasible the company may arrange water, at the written request of the contractor, to the extent possible, at one point near the work site for which recovery @ 1% of the contract value of work done will be made from the contractor's bills. The contractor shall make his own arrangement of water connection and laying of pipe lines from main source of supply. Department do not guarantee to maintain uninterrupted supply of water. No claim of damage or refund of water charges will be entertained on account of such break down.

7.14 Explosives, detonators and other inflammable materials shall not be used in the execution of the work at site by the contractor without prior written permission of the Engineer-in-Charge. Transportation and storage of such materials shall be done in specified manner in accordance with the law in force. The contractor shall also obtain license under such laws for, transportation, storage, use and all other operations, connected with the handling of the same.

8. Quality Assurance - Materials and Workmanship

The contractor shall carry out and complete the work in every respect in accordance with the contract and shall ensure that the work conforms strictly to the drawings, specifications, (as enclosed or in absence of enclosed specifications current CPWD/BIS specifications) instructions of the Engineer-in-Charge. The Engineer-in-Charge may issue, from time to time, further drawings, detailed instructions/directions in writing to the contractor. All such drawings, instructions/directions shall be consistent with the contract documents and should be reasonably inferable there from, along with clarifications/explanations thereof, if necessary. However, the contractor will be solely responsible for design and erection of all temporary structures required in connection with the work.

8.1 For Quality Assurances of all the Electrical/Civil Works the norms/ guidelines laid down by the company herein and elsewhere will form part of the contract for the purpose of quality of works.

8.2 The contractor shall be responsible for correct and complete execution of the work in a workman like manner with the materials as per specification which shall be subject to the approval of the company. All work under execution in pursuance of the contract shall be open to inspection and supervision by the Engineer-in-Charge or by his authorized representative or any other official of higher rank or any other person authorized by the company in his behalf & the contractor shall allow the same.

8.3 All materials to be provided by the contractor shall be in conformity with the

specifications/schedule of work as per the contract and the contractor shall furnish proof, if so required by the Engineer-in-Charge to his satisfaction that the materials do so comply.

8.4 The contractor shall immediately after the award of work draw up a schedule giving dates for submission of samples as required or necessary as per the specification for approval of Engineer-in-Charge who shall approve, if found acceptable, promptly so that there is no delay in the progress of the work of the contractor or of the work of any of the sub-contractor.

On receipt of samples as per schedule, the Engineer-in-Charge shall arrange to examine/test with reasonable promptness ensuring conformity of the samples with the required specification and complying with the requirements as per contract documents keeping in view that the work shall be in accordance with the samples approved by him. The contractor shall be bound to furnish fresh sample, if disapproved by the Engineer-in-Charge, for his approval. The contractor shall not start bringing materials at the site unless the respective samples are approved. Materials conforming to approved samples shall only be brought to site. However, Engineer-in-Charge's approval for any sample, design / drawings (permanent / temporary structures) shall not alter contractor's full responsibility whatsoever for the performance and safety of the executed job.

Samples are to be supplied by the contractor at his own cost. The cost involved in tests shall be borne by the contractor. If any test is ordered by the Engineer-in-Charge which is to be carried out by any independent person or agency at any place other than the site even then the cost of materials and testing charge etc. shall be borne by the contractor. If the test shows that the materials are not in accordance with the specifications, the said materials shall not be used in the work and removed from the site at contractors cost.

8.5 The company, through the Engineer-in-Charge, shall have full powers to reject any materials or work due to a defect therein for not conforming to the required specification, or for materials not being of the required quality and standard or for reasons of poor workmanship or for not being in accordance with the sample approved by him. The contractor shall forthwith remedy the defect/replace the materials at his expense and no further work shall be done pending such rectification/replacement of materials, if so instructed by the Engineer-in-Charge.

In case of default on the part of the contractor, the Engineer-in-Charge shall be at liberty to procure the proper materials for replacement and/or to carry out the rectifications in any manner considered advisable under the circumstances and the entire cost & delay for such procurement/rectification shall be borne by the contractor.

8.6 The Engineer-in-Charge shall be entitled to have tests carried out for any materials, according to the standard practice followed for such tests, other than those for which satisfactory proof has already been furnished by the contractor who shall provide at his expense all facilities which the Engineer-in-Charge may require for the purpose. All such expenses born by the contractor are not to be paid separately by the employer and shall be assumed covered in accepted prices.

The cost of any other tests, if so required by the Engineer-in-Charge, shall be borne by the company. However if the test shows the workmanship or materials not to be in accordance with the provision of the contract or the instruction of Engineer-in-Charge the cost shall be borne by the contractor. .

8.7 Access to the works: The Engineer-in-charge and any person authorized by the company shall at all times have access to the works and to all workshops and places where work is being prepared or

from where materials, manufactured articles are being obtained for the works and the contractor shall afford every facility for and every assistance in or in obtaining the right to such access.

8.8 Inspection of works:i) No work shall be covered up or put out of view without the approval of the Engineer-in-charge or the Engineer-in-charge's representative or any other officer nominated by the company for the purpose and the contractor shall afford full opportunity for the EIC or EIC's representative or any other officer nominated by the company for the purpose to examine and measure any work which is about to be covered up or put out of view and to examine foundations before permanent work is placed thereon. the contractor shall give due notice to the Engineer-in-charge's representative whenever any such work or foundations is ready or about to be ready for examination and the Engineer-in-charge's representative shall, without unreasonable delay, unless he considers it unnecessary and advises the contractor accordingly, attend for the purpose of examining and measuring such work or foundations.

ii) The contractor shall uncover any part or parts of the works or making openings in or through the same as the Engineer-in-Charge may from time to time direct and shall reinstate and make good such part or parts to the satisfaction of Engineer-in-charge.

If any such part or parts have been covered up or put out of view after compliance with the requirement of sub-clause above and are found to be executed in accordance with the contract, the expenses of uncovering, making openings in or through and making good the same shall be borne by the Employer, but in any other cases all costs shall be borne by the contractor.

8.9 Removal of Improper Work and Materials:

i) The Engineer-in-charge shall during the progress of the works have power to order in writing from time to time:

a) The removal from the site, of any materials which in the opinion of Engineer-in-charge, are not in accordance with the contract/ work order/ approved sample.

b) The substitution with proper and suitable materials.

c) The removal and proper re-execution, notwithstanding any previous test thereof or interim payment there from, of any work which in respect of materials or workmanship is not in accordance with the contract.

ii) In case of default on the part of the contractor in carrying out such order, the Engineer-in -charge shall be entitled to employ and pay other agency to carry out the same and all expenses consequent thereon shall be recoverable from the contractor or may be deducted from any amount due or which may become due to the contractor.

8.10 Devaluation of Work : In lieu of rejecting work done or materials supplied not in conformity with the contract/work order/approved samples, the Engineer-in-charge or any other officer nominated by the company for the purpose may allow such work or materials to remain, provided the Engineer-in-Charge/ the officer nominated by the company is satisfied with the quality of any materials, or the strength and structural safety of the work, and in that case shall make such deduction for the difference in value, as in his opinion may be reasonable.

8.11 Final Inspection of Work: The Engineer-in-charge and any other officer nominated by the company for the purpose shall make final inspection of all work included in the contract/work order, or any portion thereof, or any completed structure forming part of the work of the contract, as soon as practicable after notification by the contractor that the work is completed and ready for acceptance. If the work is not acceptable to the Engineer-in-charge at the time of such inspection, he shall inform the contractor in writing as to the particular defects to be remedied before final acceptance can be made.

8.12 Defects appearing after acceptance: Any defects which may appear within the defect liability period and arising, in the opinion of the Engineer-in-charge, from lack of conformance with the drawings and specifications, shall, if so required by the Engineer-in-charge in writing, be remedied by the contractor at his own cost within the time stipulated by the Engineer-in-charge. If the contractor fails to comply, the Engineer-in-charge may employ other persons to remedy the defects and recover the cost thereof from the dues of the contractor.

8.13 Site Order Book : A Site Order Book is a Register duly certified by the Engineer-in-charge regarding number of pages it contains, each page being numbered, name of work, name of contractor, reference of contract/ work order and the aforesaid certificate should be recorded on its first page.

Site Order Books shall be maintained on the sites of works and should never be removed there from under any circumstances. It shall be the property of the company. The Engineer-in-Charge or his authorized representative shall duly record his observations regarding any work which needs action on the part of the contractor like, improvement in the quality of work, failure to adhere to the scheduled programme etc. as per contract/work order. The contractor shall promptly sign the site order book and note the orders given therein by the EIC or his representative and comply with them. The compliance shall be reported by the contractor in writing to EIC in time so that it can be checked.

The Site Order Book will be consulted by the Engineer-in-Charge at the time of making both running on account and final bills of the contractor. A certificate to this effect should be given in the Measurement books by the Engineer-in-Charge or his representative.

8.14 Samples and Testing of Materials: All the materials to be procured by the contractor and to be used in work shall be approved by the Engineer-in-Charge in advance, and shall pass the tests and analysis required by him, which will be as specified in the specifications of the items concerned and or as specified by BIS or the IRC / MORTH standard specifications acceptable to the Engineer-in-Charge. The method of sampling and testing shall be as per the relevant BIS, IRC/ MORTH and other relevant standards and practices. Minor minerals like sand, stone chips etc. shall be conforming to relevant BIS standards. All bought out items including Cement and Steel shall be procured from such manufacturers who hold valid license conforming to relevant BIS standards for manufacturing of such items.

8.15 Storage of Materials: Materials shall be so stored as to ensure the preservation of the quality and fitness for the work. When considered necessary by the Engineer-in-charge, they shall be placed on wooden platforms or other hard, clean surfaces and not directly on the ground.

Materials shall be placed under cover when so directed and the contractor shall erect and maintain at his own cost temporary weather-proof sheds at the work site for the purpose. Stored materials shall be so located as to facilitate prompt inspection. All stored materials shall be inspected at the time of use in the work, even though they may have been inspected and approved before being placed in storage or during storage.

8.16 Defective Materials: All materials not conforming to the requirements of the specifications shall

be considered as defective, and all such materials, whether in place or not shall be rejected. They shall be removed immediately by the contractor at his expenses and replaced with acceptable material.

No rejected material, the defects of which have been subsequently corrected, shall be used on the work until approval in writing has been given by the Engineer-in-Charge. Upon failure on the part of the contractor to comply with any instruction of the Engineer-in-charge made under the provisions of this article within the time stipulated by the Engineer-in-charge, the Engineer-in-charge shall have authority to remove and replace defective material and recover the cost of removal and replacement from the contractor.

Further all such defective material lying at site not removed and replaced within 30 days after issue of notice by the Engineer-in-charge, if the Engineer-in-charge so decides shall dispose off such material in any manner without any further written notice to the contractor.

9. Measurement and Payments

Except where any general or detailed description of the work in the Bill of Quantities or specifications of the contract/ work order provides otherwise, measurement of work done shall be taken in accordance with the relevant standard method of measurement published by the Bureau of Indian Standards (BIS) and if not covered by the above, other relevant Standards/practices shall be followed as per instructions of the Engineer-in-Charge.

9.1 All items of work carried out by the contractor in accordance with the provision of the contract having a financial value shall be entered in the Measurement Book as prescribed by the company so that a complete record of the measurements is available for all the works executed under the contract and the value of the work executed can be ascertained and determined there from. Measurements of completed work / portion of completed work shall be recorded only in the Measurement Books.

9.2 Measurement shall be taken jointly by the Engineer-in-Charge or his authorized representative and by the contractor or his authorized representative.

9.3 Before taking measurements of any work, the Engineer-in-Charge or the person deputed by him for the purpose shall intimate the contractor to attend or to send his representative to attend the measurement. Every measurement thus taken shall be signed and dated by both the parties on the site on completion of the measurement. If the contractor objects to any measurements, a note to that effect shall be made in the Measurement Book / Log Book and signed and dated by both the parties.

9.4 The measurement of the portion of work/items of work objected to, shall be re-measured by the Engineer-in-Charge himself or the authority nominated by the company for the purpose in the presence of the contractor or his authorized representative and recorded in the M.B. which shall be signed and dated by both the parties. Measurements so recorded shall be final and binding upon the contractor and no claim whatsoever shall thereafter be entertained.

In case the contractor or his authorized representative does not attend to the joint measurements at the prefixed date and time after due notice, the measurements taken by the Engineer-in-Charge or his representative shall be final and binding on the contractor.

Measurement of the extra items of work or excess quantities of work duly authorized in writing by the Engineer-in-Charge shall also be taken and recorded in the M.B. based on the existing items in the SOR of the company and if such items do not exist in the company's SOR, the description of the work

shall be as per actual execution. Payment for such extra items will be based on the rates to be derived as described in the relevant clauses of the contract/ work-order.

9.5 No work shall be covered up or put out of view without the approval by the Engineer-in-Charge and recording of measurements and check measurement thereof duly accepted by the contractor. The contractor shall provide full opportunity to the Engineer-in-Charge or his representative to examine and measure all works to be covered up and to examine the foundations before covering up.

The contractor shall also give notice to Engineer-in-Charge whenever such works or foundations are ready for examination and the Engineer-in-Charge shall without unreasonable delay arrange to inspect and to record the measurements, if the work is acceptable and advise the contractor regarding covering of such works or foundations.

9.6 In case of items which are claimed by the contractor but are not admissible according to the department, measurements of such items, will be taken for record purposes only and without prejudice so that in case it is subsequently decided by the department to admit the contractor's claims, there should be no difficulty in determining the quantities of such work. A suitable remark should, however, be made against such measurements to guard against payment in the ordinary way.

9.7 Payments: The running on account payments may be made once in a month or at intervals stipulated in the work order/ contract agreement.

9.7.01 Running on account bill/bills for the work executed/ materials supplied in accordance with the work order/ contract shall be prepared on the basis of detailed measurements recorded as described hereinbefore and processed for payments.

9.7.02 Payment of on account bill shall be made on the Engineer-in-Charge's certifying the sum to which the contractor is considered entitled by way of interim payment for the following :

a) The work executed as covered by the bill/bills after deducting the amount already paid, the security deposit and such other amounts as may be deductible or recoverable in terms of the work order/ contract.

b) (i) Payment for excess quantity of work done with the written instructions of the Engineer-in-Charge for items already appearing in the bill of quantities of work with approved rates, will be made along with the on account bills only up to 10% of the quantity provided in the agreement subject to overall value of work not exceeding the agreement value.

(ii) The GM(E&M) of the company and / or Area Manager(E&M) of the Area may authorize interim payment for excess work done up to 20 % of the quantity of work provided in the Bill of Quantity of the work awarded from Company level and Area level respectively subject to overall value of work done does not exceed the contract value. This however, shall not be applicable for High Value Items.

c) Extra items of work executed will be paid on specific written authorization of GM(E&M) of the company or Area Manager(E&M) of the Area provided that the value of such extra items of work when added together is not more than 10% of the contract value and the total gross payment including excess quantity does not exceed the contract value.

Balance amount on account of excess quantity and extra items of work executed shall be paid after the

deviation estimate / revised estimate regularizing the extra items and excess quantities of work is sanctioned by the competent authority of the company with the concurrence of the Finance Department of the company.

d) On the Engineer-in-Charge's certificate of completion in respect of the work covered by the contract / final measurements of the work certified by the Engineer In Charge or his representative.

9.7.03 The measurements shall be entered in the M.B for the work done up to the date of completion and evaluated based on the approved rates for the items in the contract agreement/sanctioned revised estimate. In case of extra items of work, the rates shall be derived as stated in the relevant clause of the contract.

The payments shall be released against the final bill subject to all deductions which may be made on account of materials supplied, water supply for construction, supply of electricity and any other dues payable by the contractor to the company, and further subject to the contractor having given to the Engineer-in-Charge a no claim certificate.

The contractor shall indemnify the company against proof of depositing royalty on account of minor minerals used in the work before the final bill is processed for payments. The final payment to be made will also be subject to Clause-4.6 & 4.7 of the General Terms & Conditions of the contract.

9.7.04 Any certificate given by the Engineer-in-Charge for the purpose of payment of interim bill/bills shall not of itself be conclusive evidence that any work/materials to which it relate is/are in accordance with the contract and may be modified or corrected by the Engineer-in-Charge by any subsequent certificate or by the final certificate.

9.7.05 The company reserve the right to recover/enforce recovery of any overpayments detected after the payment as a result of post payment audit or technical examination or by any other means, notwithstanding the fact that the amount of disputed claims, if any, of the contractor exceeds the amount of such overpayment and irrespective of the facts whether such disputed claims of the contractor are the subject matter of arbitration or not.

The amount of such overpayments shall be recovered from subsequent bills under the contract, failing that from contractor's claim under any other contract with the company or from the contractor's security deposit or the contractor shall pay the amount of over payment on demand. In case of contractor's non-payment on such demand, the same should be realized from the contractor's dues, if any, with Coal India Limited or any of its subsidiaries.

9.7.06 The contractors are required to execute all works satisfactorily and according to the specifications laid down in the contract/ work order. If certain items of work, executed by the contractor, are below specifications, the contractor should re-do them according to the specifications and instructions of EIC and if the contractor fails to rectify the defect within the time and in the manner specified by the EIC, the work shall be got re-done or rectified by the department at the risk and cost of the contractor. Engineer-in-Charge may accept such work of below specifications provided the department is satisfied with the quality of such works and the strength/ structural safety of such works. In that case Engineer-in-Charge shall make such deductions for the difference in value, as in his opinion is reasonable and is approved by the accepting authority of the company i.e. GM/HoD(E&M) of the company in this case or any other officer nominated by GM/HoD(E&M) for the purpose.

9.7.07 Payment Stage: The payment stage involved will be as under,

- i. Signature of Subordinate Engineer(E&M)in MB's both in pages recording measurements, abstract of bill & the duly filled in bill form.
- ii. Signature of Asstt. Manager (E&M) with appropriate check measurements in the MB's and the bill form.
- iii. Signature of Dy. Manager(E&M) with appropriate check measurements in MB's and the bill form.
- iv. Signature of Engineer-in-Charge as per definition as at clause 1(vii) of the General Terms and Conditions, as a token of acceptance for payment of the bill. The EIC may sign in the abstract of the bill in the MB & the bill form. In between stage iii) and iv) accountal checking may be made by the concerned Accounts Officer/ Accountant.

(In case of non-availability of officials as at (i) above, company may authorize suitable executives for the works outlined at (i). Further for check measurement also company may authorize Executives based on availability.

9.7.08 Secured Advance: Secured advance can be paid for items of materials required for execution of the work and covered under categories A & B and supplied by the contractor at work site, supported by necessary vouchers, challans, test certificates etc. after execution of indemnity bond as per prescribed Form of the company on non-judicial stamp paper of prescribed value.

This advance shall be recovered in four equal installments or as per consumption whichever is higher. Engineer-in-Charge shall recover at his discretion all or any part of secured advance paid, if in his opinion the work is not progressing satisfactorily or the security of these materials at site is not adequately taken care of by the contractor. Secured advance shall be payable for contracts of value above Rs.50.00 lakhs only.

Secured advance for structural steel sections, reinforcement steel and cement, collected at site, will be paid up to 75% of the corresponding stock yard prices of SAIL for the corresponding steel items and Govt. approved/ D.G.S.D. prices for cement, if the same exist.

In case of non-availability of Govt. approved prices of cement & steel and for the materials falling under Category - A and B the secured advance will be paid at the basic rate available in the approved schedule of rates of the company plus or minus the overall percentage on which the work was awarded, provided such rate is not more than 60% of the quoted rate of the contractor for the actual work.

At any point of time the outstanding recoverable secured advance shall not be more than 10% of the contract value.

Items against which secured advance can be granted:

Category-A

Civil:

1. Bricks.
2. Stone and brick aggregate.
3. Stones.
4. Finished products of brass, iron and steel such as doors & windows frames, wire mesh, gate, GI Sheets.
5. Pre-cast R.C.C. products such as pipes, jali, water storage tanks etc.
6. Doors & Window fittings.
7. Pipes and sanitary fittings of CI, SCI & HCI

Electrical :

1. Steel conduits
2. G.I. Pipes
3. I.C. Boards
4. Switchgears (Air circuit breakers and Air break switches)
5. C.I. Boxes.
6. A.C.S.R. Conductors
7. A.C. Plant & Machinery
8. Pumps
9. Generating sets (without oil)

Items against which secured advance can be granted:

Category- B**Civil:**

1. Glazed tiles, terrazzo tiles and similar articles.
2. Marble slabs.
3. Asbestos cements products.
4. Finished timber products such as doors, windows, flush doors, particle boards (subject to mandatory test being satisfactory) etc.
5. Bitumen in sealed drums.
6. Bitumen felt.
7. Polythene pipes and fittings and tanks.
8. Sanitary fittings and pipes of S.W., porcelain and chinaware materials
9. Laminated / Safety, one way vision, and bullet proof glasses.
10. Chemical required for anti-termite treatment (in sealed drums).
11. Paints, varnishes, distempers, pigment, spirits etc.

Electrical:

1. Transformers
2. Oil-filled switch gears.
3. L.T. & H.T. Cables
4. Fans
5. Storage and Dry Batteries
6. Insulation tapes.
7. Epoxy cable compounds.
8. Electric light fittings.
9. Wooden battens, casing & capping and wooden boards.
10. Flexible wires.
11. PVC materials.
12. Oil and lubricants.
13. Rubber materials.
14. Glass wool, thermocole & other insulating materials.
15. Porcelain H.T. and L.T. insulators.

In addition to indemnity bond, for materials listed under Category-B, the contractor shall be required to provide necessary insurance cover of equivalent value of materials.

Items against which no secured advance shall be granted:

Civil:

1. Glass products other than those indicated in Category-B.
2. Sand and Moorum
3. Chemical compounds other than those indicated in Category-B.

Electrical:

1. Glass gloves and shades
2. Bulbs and tubes
3. Petrol and diesel
4. Freon and other refrigeration gases.

9.8 Income tax deduction @ 2% (Two percent) of the gross value (excluding GST) of each bill or at the rate as amended from time to time, shall be made unless exempted by the competent authority of the Income Tax Department.

Building and Construction Workers Cess (as applicable in States) shall be payable by the contractor. If, however, the company is asked to make deduction from the contractor's bills, the same shall be done and a certificate to this effect shall be issued to the contractor for dealing with the State Govt. and the company does not take any responsibility to do anything further in this regard.

9.9 No interest shall be payable on the amounts withheld, under the terms of the Contract Agreement/Work-order.

10 Termination, Cancellation, Suspension and Foreclosure of Contract

The company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to cancel the contract in full or in part, if the contractor

a makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer-in-charge, then on the expiry of the period as specified in the notice

Or

b. fails to achieve a monthly agreed quantity of 70% (Seventy percent) for a period of 6(six) consecutive month or for cumulative period of six months within any continuous period of 18(eighteen)

months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor.

Note: - In such cases the contractor may be Banned for minimum one year from participating in future bidding allowing the present business to continue without going into termination of the contract. (Not to be part of Tender Document- Procedure for banning of business shall be followed as per Guidelines of Banning of Business.)

Or

c. commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing

Or

d. fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing

Or

e. shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company

Or

f. obtains a contract with the company as a result of ring tendering or other non- bonafide method of competitive tendering

Or

c. transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge. The Engineer-in- charge may give a written notice; cancel/terminate the whole contract or portion of it in default. The approving authority shall be TAA or CMD if originally awarded by empowered Committee of Directors headed by Chairman/FDs/CMD or Board.

d. The Engineer-in-charge may by giving a written notice, cancel the whole contract or portion of it in default.

10.1 The contract shall also stand terminated under any of the following circumstances:

a) If the contractor being an individual in the case of proprietary concern or in the case of a partnership firm any of its partners is declared insolvent under the provisions of Insolvency Act for the time being in force, or makes any conveyance or assignment of his effects or composition or arrangement for the benefit of his creditors amounting to proceedings for liquidation or composition under any Insolvency Act.

b) In the case of the contractor being a company, its affairs are under liquidation either by a resolution passed by the contractors company or by an order of court, not being a voluntary liquidation proceedings for the purpose of amalgamation or reorganization, or a receiver or manager is appointed by the court on the application by the debenture holders of the contractor's company, if any.

c) If the contractor shall suffer an execution being levied on his/their goods, estates and allow it to be continued for a period of 21 (twenty-one) days.

d) On the death of the contractor being a proprietary concern or of any of the partners in the case of a partnership concern and the company is not satisfied that the legal representative of the deceased proprietor or the other surviving partners of the partnership concern are capable of carrying out and completing the contract. The decision of the company in this respect shall be final and binding which is to be intimated in writing to the legal representative or to the partnership concern.

10.2 On termination of the contract or on cancellation of the contract, the Engineer-in-charge shall have powers:

a. To take possession of the site, any materials, constructional plant, equipment, stores etc. thereon and carry out balance work through any means or through any other agency.

b. To give the contractor or his representative of the work 7 (seven) days' notice in writing for taking final measurement for the works executed till the date of cancellation or termination of the contract. The Engineer-in-Charge shall fix the time for taking such final measurement and intimate the contractor in writing. The final measurement shall be carried out at the said appointed time

notwithstanding whether the contractor is present or not. Any claim as regards measurement which the contractor is to make shall be made in writing within 7 (seven) days of taking final measurement by Engineer-In-charge as aforesaid and if no such claim is received, the contractor shall be deemed to have waived all claims regarding above measurements and any claim made thereafter shall not be entertained.

c. After giving notice to the contractor to measure up the work of the contractor and to take such whole or the balance or part thereof, as shall be unexecuted out of his hands and to give it to another contractor or take up departmentally, to complete the work. The contractor whose contract is terminated shall not be allowed to participate in future bidding for period of minimum one year.

In such an event, the contractor shall be liable for loss/damage suffered by the employer because of action under this clause and to compensate for this loss or damage, the employer shall be entitled to recover higher of the following:

i) Forfeiture of security deposit comprising of performance guarantee and retention money and additional performance security, if any, at the disposal of the employer.

Or

ii) 20% of value of incomplete work. The value of the incomplete work shall be calculated for the items and quantities remaining incomplete (as per provision of agreement) at the agreement rates including price variation as applicable on the date, when notice in writing for termination of work was issued to the contractor.

The amount to be recovered from the contractor as determined above, shall, without prejudice to any other right or remedy available to the employer as per law or as per agreement, will be recovered from any money due to the contractor on any account or under any other contract and in the event of any shortfall, the contractor shall be liable to pay the same within 30 days. In case of failure to pay the same the amount shall be debt payable.

In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipment or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract. And in case action is taken under any of provision aforesaid, the contractor shall not be entitled to recover or to be paid any sum for any work thereof or actually performed under this contract unless and until the engineer-in-charge has certified in writing the performance of such work and value payable in respect thereof and he shall only be entitled to be paid the value so certified.

The need for determination of the amount of recovery of any extra cost/expenditure or of any loss/damage suffered by the company shall not however arise in the case of termination of the contract for death/demise of the contractor as stated in 10.1(d).

10.3 Suspension of Work:

Suspension of work – The Company shall have power to suspend the work. The contractor shall on receipt of the order in writing of Engineer-in -charge (whose decision shall be final and binding on the contractor), suspend the progress of work or any part thereof for such time in such manner as the Engineer-in-Charge may consider necessary so as not to cause any damage, or endanger the safety thereof for any of the following reasons: