

ANNEXURE - 11 (SPECIMEN)

# 11.COMPOSITE BANK GUARANTEE FOR MOBILISATION ADVANCE, SECURITY DEPOSIT/RETENTION MONEY/PERFORMANCE GUARANTEE

(On Non-Judicial stamp paper of appropriate value)

TO : Hindustan Petroleum Corporation Limited (Address as applicable)

LIM hav "Th hav pro  adr "the issu	CONSIDERATION OF MESSRS. HINDUSTAN PETROLEUM CORPORATION INTED, a Government of India Company registered under the Companies Act, 1956, ring its registered office at 17, Jamshedji Tata Road, Bombay-20 (hereinafter called be Corporation" (which expression shall include its successor in business and assigns) ring placed an order on Messers
	not to insist upon immediate payment of Security deposit for the fulfilment and performance of the said order
b.	to pay "the supplier" as and by way of advance upto a sum of Rupees (Rupees only) being% of the value of "the order";
C.	that "the supplier" shall furnish a security for the performance of "the supplier's" obligations and/or discharge of "the supplier's" liability in connection with the said "order"; and "the Corporation" having agreed with "the supplier" to accept a composite Bank Guarantee for the mobilisation advance, security deposit, retention money and performance guarantee
ass with (Ru cau	Bank having office at reinafter referred to as "the Bank" which expression shall includes its successors and signs) at the request and on behalf of "the supplier" hereby agree to pay to "the Corporation" nout any demur on first demand an amount not exceeding ₹
	We,
3.	We, Bank further agree that the amount demanded by "the Corporation" as such shall be final and binding on "the Bank" as to "the Bank" 's liability to pay and the amount demanded and "the Bank" undertake to pay "the Corporation" the

# SECTION IV - ANNEXURES



# ANNEXURE 11: COMPOSITE BANK GUARANTEE FOR MOBILISATION

3.	We,
4.	We,
5.	However, it has been agreed between "the Supplier" and "the Corporation" that there shall be only one Composite Bank Guarantee for both the advance and security deposit performance guarantee/Retention Money @ of% valid till the end of the defects liability period as per the terms of the P.O. No dated and that in proportion with the recovery of advance @% per bill the same amount/value automatically stands credited to the defects liability account/security deposit or retention money as the case may be and will continue to be credited/treated till the entire advance of ₹ is fully recovered from the running bills and from the date of full recovery of the advance of ₹ this guarantee automatically, shall stand valid towards the% retention money/defects liability, fully valid in all respects unto a further period of 3 (three) months, as per the Purchase Order of "the Corporation".
6.	Not withstanding anything contained herein above :
	i. Our liability under this guarantee shall not exceed ₹
	ii. This Bank Guarantee shall be valid upto and including; and
	iii. We are liable to pay the guarantee amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before the expiry of 30 days from the date of expiry of this guarantee.
7.	We, Bank furtherundertake not to revoke this guarantee during its currency except with the previous consent of "the Corporation" in writing.



# ANNEXURE 11: COMPOSITE BANK GUARANTEE FOR MOBILISATION

IN WITNESS WHEREOF the Bank has execute day of	ed this document on this
	For Bank
	(by its constituted attorney)
	(Signature of a person authorised
	to sign on behalf of "the Bank")*

# DETAILS OF BUILT-IN-CIF VALUE OF IMPORT CONTENT, ITEM DETAIL OF IMPORT CONTENT AND RATES OF IMPORT DUTY CONSIDERED AND INCLUDED IN QUOTED FOT DESPATCH POINT PRICES UNDER PRICE SCHEDULE

	DESCRIPTION	ON	CIF value of Import Content included in quoted supply prices	Date of Exchange Rate (SBI Bill Selling) considered by Bidder	RATE OF IMPORT DUTY INCLUDED IN QUOTED SUPPLY PRICES				
For Item SI . No. as per MR	Description of Imported Items	Qty. of Imported Items (Unit) *(1)	(In % of Quoted FOT Dispatch Point Price) (Currency )		HSN Code	Basic Customs Duty	Cess (%)	IGST (%)	TOTAL CUSTOM DUTY (%)
	1	2	3	4	5	6	7	8	9
	i)								
	ii)								
	iii)								
	i)								
	ii)								
	iii)								
TOTAL CIF VALUE									
NOTE: * (1) Bidder shall indicate built-in CIF value along with quantities of import content and its description included in finished goods.  (2) Bidder has to ensure that currency quoted in this format shall be same with the currency quoted in the main Price Schedule format for the built-in CIF value.  (3) Bidder shall furnish the CIF content in this format only in %age of basic quoted price in online portal.  (4) In case CIF details submitted is not conclusive ( not have currency, date of exchange rate variation,% of CIF etc ) same will be considered as "CIF details not submitted " and hence variation on account of foreign exchange rate and custom shall not be payable.									e format for the built-



# ANNEXURE - 7a (SPECIMEN)

### 7a. GENERAL TERMS & CONDITIONS OF WORKS CONTRACT

#### 1 PRELIMINARY

- 1.1 This is a Contract for execution of job as defined in tender document at the specified location
- 1.2 The tenderer for the abovementioned item of work is the company/ proprietary concern/ individual (as per details & address mentioned in the unpriced bid) and undersigned (digitally) is authorized to submit the bid on behalf of tenderer.
- 1.3 The terms and conditions mentioned hereunder are the terms and conditions of the Contract for the execution of the work mentioned under item 1.1 above.
- 1.4 It is the clear understanding between Hindustan Petroleum Corporation Limited and the tenderer that in case the bid of tenderer is accepted by Hindustan Petroleum Corporation Limited and an intimation to that effect is so issued and also a Procurement Order is on the tenderer this document shall form part of the Contract between the parties and terms and conditions hereunder would govern the parties interest.
- 1.5 Interpretation of Contract Documents: All documents forming part of the Contract are to be taken mutually explanatory. Should there be any discrepancy, inconsistency, error or omission in the contract, the decision of the Owner/Engineer-in-Charge/Site-in-Charge shall be the final and the contractor shall abide by the decision. The decision shall not be arbitrable. Works shown upon the drawings but not mentioned in the specification or described in the specifications without being shown on the drawings shall nevertheless be deemed to be included in the same manner as if they are shown in the drawings and described in the specifications.
- Special conditions of Contract : The special conditions of contract, if any 1.6 provided and whenever and wherever referred to shall be read in conjunction with General Terms and Conditions of contract, specifications, drawings, and any other forming part of this contract wherever the context Notwithstanding the subdivision of the documents into separate sections, parts volumes, every section, part or volume shall be deemed to be supplementary or complementary to each other and shall be read in whole. In case of any misunderstanding arising the same shall be referred to decision of the Owner/ Engineerin-Charge/Site-in-Charge and their decision shall be final and binding and the decision shall not be arbitrable.

It is the clear understanding that wherever it is mentioned that the Contractor shall do/perform a work and/or provide facilities for the performance of the work, the doing or the performance or the providing of the facilities is at the cost and expenses of the Contractor not liable to be paid or reimbursed by the Owner.



- ® 1.7 The Order of Precedence of documents shall be as follows with document at level 1 having the highest precedence (Refer Annexure 22 Govt. Guideline Sr. No. 12)
  - 1. Contract Agreement
  - 2. Detailed Letter of Acceptance along with its enclosures
  - 3. Letter of Award / Fax of Acceptance
  - 4. Job Specifications (specific to particular job only)
  - 5. Drawings
  - 6. Special Conditions of Contract
  - 7. Technical Specifications
  - 8. Instructions to Bidders
  - 9. General Conditions of Contract
  - 10. Other Documents

Any amendment / change order issued after signing of formal contract shall take precedence over respective clauses of the formal contract and its annexures

### 2. **DEFINITIONS**

In this contract unless otherwise specifically provided or defined and unless a contrary intention appears from the contract the following words and expressions are used in the following meanings;

- 2.1 The term "Agreement" wherever appearing in this document shall be read as "Contract".
- 2.2 The "Authority" for the purpose of this Contract shall be the **Chairman and Managing Director** or any other person so appointed or authorised.
- 2.3 The "Chairman and Managing Director" shall mean the Chairman and Managing Director of HINDUSTAN PETROLEUM CORPORATION LIMITED or any person soappointed, nominated or designated and holding the office of Chairman & Managing Director.
- 2.4 The **"Change Order"** means an order given in writing by the Engineer-in-Charge or by Owner to effect additions to or deletion from or alterations into the Work.
- 2.5 The "Construction Equipment" means all appliances and equipment of whatsoever nature for the use in or for the execution, completion, operation or maintenance of the work except those intended to form part of the Permanent Work.
- 2.6 The "Contract" between the Owner and the Contractor shall mean and include all documents like enquiry, tender submitted by the contractor and the procurement order issued by the owner and other documents connected with the issue of the procurement order and orders, instruction, drawings, change orders, directions issued by the Owner/Engineer-in-Charge/Site-in-Charge for the execution, completion and commissioning of the works and the period of contract mentioned in the Contract including such periods of time extensions as may be granted by the owner at the request of the contractor and such period of time for which the work is continued by the contractor for purposes of completion of the work.
- 2.7 **"The Contractor"** means the person or the persons, firm or Company whose tender has been accepted by the Owner and includes the Contractor's legal heirs, representative, successor(s) and permitted assignees.
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- 2.8 The "**Drawings**" shall include maps, plans and tracings or prints thereof with any modifications approved in writing by the Engineer-in-Charge and such other drawings as may, from time to time, be furnished or approved in writing by the Engineer-in-Charge.
- 2.9 The "Engineer-in-Charge or Site-in-Charge" shall mean the person appointed or designated as such by the Owner and shall include those who are expressly authorised by the owner to act for and on its behalf.
- 2.10 "The Owner" means the HINDUSTAN PETROLEUM CORPORATION LIMITED incorporated in India having its Registered office at PETROLEUM HOUSE, 17, JAMSHEDJI TATA ROAD, BOMBAY 400020 and Marketing office at the address mentioned for this purpose in the tender header or their successors or assignees.
- 2.11 The "**Permanent Work**" means and includes works which form a part of the work to be handed over to the Owner by the Contractor on completion of the contract.
- 2.12 The "Project Manager" shall mean the Project Manager of HINDUSTAN PETROLEUM CORPORATION LIMITED, or any person so appointed, nominated or designated.
- 2.13 The "Site" means the land on which the work is to be executed or carried out and such other place(s) for purpose of performing the Contract.
- 2.14 The "Specifications" shall mean the various technical and other specifications attached and referred to in the tender documents. It shall also include the latest editions, including all addenda/corrigenda or relevant Indian Standard Specifications and Bureau Of Indian Standards.
- 2.15 The "Sub-Contractor" means any person or firm or Company (other than the Contractor) to whom any part of the work has been entrusted by the Contractor with the prior written consent of the Owner/Engineer-in-Charge/Site-in- Charge and their legal heirs, representatives, successors and permitted assignees of such person, firm or Company.
- 2.16 The "Temporary Work" means and includes all such works which are a part of the contract for execution of the permanent work but does not form part of the permanent work confirming to practices, procedures applicable rules and regulations relevant in that behalf.
- 2.17 The "Tender" means the document submitted by a person or authority for carrying out the work and the Tenderer means a person or authority who submits the tender offering to carry out the work as per the terms and conditions.
- 2.18 The "Work" shall mean the works to be executed in accordance with the Contract or part thereof as the case may be and shall include extra, additional, altered or substituted works as maybe required for the purposes of completion of the work contemplated under the Contract.

# 3. SUBMISSION OF TENDER

3.1 Before submitting the Tender, the Tenderer shall at their own cost and expenses visit the site, examine and satisfy as to the nature of the existing roads, means of communications, the character of the soil, state of land and of the excavations, the correct dimensions of the work facilities for procuring various construction and other material and their availability, and shall obtain information on all matters and conditions as they may feel necessary for the execution of the works as intended by the Owners and shall also satisfy of the availability of suitable water for construction of civil works and for drinking purpose and power required for fabrication work etc. Tenderer, whose tender may be accepted



and with whom the Contract is entered into shall not be eligible and be able to make any claim on any of the said counts in what so ever manner for what so ever reasons at any point of time and such a claim shall not be raised as a dispute and shall not be arbitrable.

# A pre-bid meeting may be held as per the schedule mentioned in the tender.

- 3.2 The Tenderer shall be deemed to have satisfied fully before tendering as to the correctness and sufficiency of his tender for the works and of the rates and prices quoted in the schedule of quantities which rates and prices shall except as otherwise provided cover all his obligations under the contract.
- 3.3 It must be clearly understood that the whole of the conditions and specifications are intended to be strictly enforced and that no work will be considered as extra work and allowed and paid for unless they are clearly outside the scope, spirit, meaning of the Contract and intent of the Owner and have been so ordered in writing by Owner and/or Engineer-in-Charge/Site-in-Charge, whose decision shall be final and binding.
- 3.4 Before filling the Tender the Contractor will check and satisfy all drawings and materials to be procured and the schedule of quantities by obtaining clarification from the Owner on all the items as may be desired by the Tenderer. No claim for any alleged loss or compensation will be entertained on this account, after submission of Tender by the Tenderer/Contractor and such a claim shall not be arbitrable.
- 3.5 Unless specifically provided for in the tender documents or any Special Conditions, no escalation in the Tender rates or prices quoted will be permitted throughout the period of contract or the period of actual completion of the job whichever is later on account of any variation in prices of materials or cost of labour or due to any other reasons. Claims on account of escalation shall not be arbitrable.
- 3.6 The quantities indicated in the Tender are approximate. The approved schedule of rates of the contract will be applicable for variations upto plus or minus 25% of the contract value. No revision of schedule of rates will be permitted for such variations in the contract value, including variations of individual quantities, addition of new items, alterations, additions/deletions or substitutions of items, as mentioned above. Quantities etc. mentioned and accepted in the joint measurement sheets shall alone be final and binding on the parties.
- 3.7 Owner reserve their right to award the contract to any tenderer and their decision in this regard shall be final. They also reserve their right to reject any or all tenders received. No disputes could be raised by any tenderer(s) whose tender has been rejected.
- 3.8 The Rates quoted by the Tenderer shall include Costs and expenses on all counts viz. cost of materials, transportation of machine(s), tools, equipments, labour, power, Administration charges, price escalations, profits, etc. except to the extent of the cost of material(s), if any, agreed to be supplied by Owner and mentioned specifically in that regard in condition of Contract, in which case, the cost of such material if taken for preparation of the Contractor's Bill(s) shall be deducted before making payment of the Bill(s) of the Contractor. The description given in the schedule of quantities shall unless otherwise stated be held to include wastage on materials, carriage and cartage, carrying in and return of empties, hoisting,



setting, fitting and fixing in position and all other expenses necessary in and for the full and complete execution and completion of works and in accordance with good practice and recognised principles in that regard.

- 3.9 Employees of the State and Central Govt. and employees of the Public Sector Undertakings, including retired employees are covered under their respective service conditions/rules in regard to their submitting the tender. All such persons should ensure compliance to the respective/applicable conditions, rules etc. Any person not complying with those rules etc. but submitting the tender in violation of such rules, after being so noticed shall be liable for the forfeiture of the Earnest Money Deposit made with the tender, termination of Contract and sufferance on account of forfeiture of Security Deposit and sufferance of damages arising as a result of termination of Contract.
- 3.10 In consideration for having a chance to be considered for entering into a contract with the Owner, the Tenderer agrees that the Tender submitted by him shall remain valid for the period prescribed in the tender conditions, from the date of opening of the tender. The Tenderer shall not be entitled during the said validity period, to revoke or cancel the tender without the consent in writing from the Owner.

In case the tenderer revokes or cancels the tender or varies any of terms of the tender without the Consent of the Owner, in writing, the Tenderer forfeits the right to the refund of the Earnest Money paid along with the tender.

- 3.11 The prices quoted by the Tenderer shall be firm during the validity period of the bid and Tenderer agrees to keep the bid alive and valid during the said period. The Tenderers shall particularly take note of this factor before submitting their tender(s).
- 3.12 The works shall be carried out strictly as per approved specifications. Deviations, if any, shall have to be authorised by the Engineer-in-Charge/Site-in-Charge in writing prior to implementing deviations. The price benefit, if any, arising out of the accepted deviation shall be passed on to the Owner. The decision of Engineer- in-Charge shall be final in this matter.
- 3.13 The contractor shall make all arrangements at his own cost to transport the required materials outside and inside the working places and leaving the premises in a neat and tidy condition after completion of the job to the satisfaction of Owner. All materials except those agreed to be supplied by the Owner shall be supplied by the contractor at his own cost and the rates quoted by the Contractor should be inclusive of all royalties, rents, taxes, duties, statutory levies, if any, etc.
- 3.14 The Contractor shall not carry on any work other than the work under this Contract within the Owner's premises without prior permission in writing from the Engineer- in-Charge/Site-in-charge.
- 3.15 The Contractor shall be bound to follow and ensure compliance to all the safety and security regulations and other statutory rules applicable to the area. In the event of any damage or loss or sufference caused due to non-observance of such rules and regulations, the contractor shall be solely responsible for the same and shall keep the Owner indemnified against all such losses and claims arising from the same.



- 3.16 At any time after acceptance of tender, the Owner reserves the right to add, amend or delete any work item, the bill of quantities at a later date or reduce the scope of work in the overall interest of the work by prior discussion and intimation to the Contractor. The decision of Owner, with reasons recorded therefor, shall be final and binding on both the Owner and the Contractor. The Contractor shall not have right to claim compensation or damage etc. in that regard. The Owner reserves the right to split the work under this contract between two or more contractors without assigning any reasons.
- 3.17 Contractor shall not be entitled to sublet, sub contract or assign, the work under this Contract without the prior consent of the Owner obtained in writing.
- 3.18 All signatures in tender document shall be dated as well as all the pages of all sections of the tender documents shall be initialed at the lower position and signed, wherever required in the tender papers by the Tenderer or by a person holding Power of Attorney authorising him to sign on behalf of the tenderer before submission of tender.
- 3.19 The tender should be quoted in English, both in figures as well as in words. The rates and amounts tendered by the Tenderer in the Schedule of rates for each item and in such a way that insertion is not possible. The total tendered amount should also be indicated both in figures and words with the signature of tenderer.

If some discrepancies are found between the rates given in words and figures of the amount shown in the tender, the following procedure shall be applied:

- (a) When there is a difference between the rates in figures and words, the rate which corresponds to the amount worked out by the tenderer shall be taken as correct.
- (b) When the rate quoted by the tenderer in figures and words tallies but the amount is incorrect, the rate quoted by the tenderer shall be taken as correct.
- (c) When it is not possible to ascertain the correct rate in the manner prescribed above the rate as quoted in words shall be adopted.
- 3.20 All corrections and alterations in the entries of tender paper will be signed in full by the tenderer with date. No erasures or over writings are permissible.
- 3.21 Transfer of tender document by one intending tenderer to the another one is not permissible. The tenderer on whose name the tender has been sent only can quote.
- 3.22 The Tender submitted by a tenderer if found to be incomplete in any or all manner is liable to be rejected. The decision of the Owner in this regard is final and binding.

# 4. **DEPOSITS**

(R)

a) EARNEST MONEY DEPOSIT (EMD)

The tenderer will be required to pay a sum as specified in the covering letter, as earnest money deposit along with the tender either thru a crossed demand draft or a non-revokable Bank Guarantee in favour of Hindustan Petroleum Corporation Limited, from a bank from the list of banks whose bank guarantees are acceptable to the Corporation (list enclosed) payable at Mumbai in favour of Hindustan Petroleum Corporation Limited, Mumbai in the proforma enclosed.

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or through e-payment. The earnest money deposit will be refunded after finalisation of the contract.

Note: Public sector enterprises and small-scale units registered with National Small Industries Corporation are exempted from payment of Earnest Money Deposit. Small scale units registered with National Small Industries Corporation should enclose a photocopy of their registration certificate with their quotation to make their quotation eligible for consideration. The Registration Certificate should remain valid during the period of the contract that may be entered into with such successful bidder. Such tenderers should ensure validity of the Registration Certificate for the purpose. (Refer Gazette notification of the Government of India, the Ministry of Micro, Small and Medium Enterprises number S.O.2119 (E), dated 26<sup>th</sup> June, 2020 on criteria for classifying the enterprises as micro, small and medium enterprises & Udyam registration for revised guideline.)

# b) **SECURITY DEPOSIT:**

The tenderer, with whom the contract is decided to be entered into and intimation is so given will have to make a security deposit of <u>one percent (1%)</u> of the total contract value in the form of account payee crossed demand draft drawn in favour of the Owner, within 15 days from the date of intimation of acceptance of their tender, failing which the Owner reserves the right to cancel the Contract and forfeit the EMD.

1% of PO/Contract value as Security deposit will be acceptable in the form of Demand draft or through e-payment upto ₹ 50,000/- and in the form of Demand draft / Bank guarantee or through e-payment beyond ₹ 50,000/-.

Composite Performance Bank Guarantee (CPBG) valid upto a period of 3 months beyond the expiry of defect liability period. Demand Draft should be drawn on Scheduled Banks, other than co-operative bank.

Quantum of Performance Bank Guarantee inclusive of Security Deposit should be as follows:

- All items (other than CVR items): 10% of PO value
- For CVR items: ₹ 10.0 lakhs or 5% of the order value whichever is lower. Composite PBG of above value towards Performance Bank Guarantee inclusive of Security Deposit shall be accepted (in lieu of deduction of retention money of 10% from each bill); Such composite PBG shall be valid upto a period of 3 months beyond the expiry of defect liability period. Demand Draft should be drawn on Scheduled Banks (other than cooperative banks).

# 5. EXECUTION OF WORK

All the works shall be executed in strict conformity with the provisions of the contract documents and with such explanatory details, drawings, specifications and instructions as may be furnished from time to time to the Contractor by the Engineer-in-Charge/ Site-in-Charge, whether mentioned in the Contract or not. The Contractor shall be responsible for ensuring that works throughout are executed in the most proper and workman-like manner with the quality of material and workmanship in strict accordance with the specifications and to the entire satisfaction of the Engineer-in-Charge/Site-in-Charge.

The completion of work may entail working in monsoon also. The contractor must maintain the necessary work force as may be required during monsoon and plan to execute the job in such a way the entire project is completed within the contracted time schedule. No extra charges shall be payable for such work during monsoon. It shall be the responsibility of the contractor to keep the construction work site free from water during and off the monsoon period at his own cost and expenses.

For working on Sundays/Holidays, the contractor shall obtain the necessary permission from Engineer Incharge/Site Incharge in advance. The contractor shall be permitted to work beyond the normal hours with prior approval of Engineer-In-Charge/Site-In-Charge and the contractors quoted rate is inclusive of all such extended hours of working and no extra amount shall be payable by the owner on this account.

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#### 5.a. SETTING OUT OF WORKS AND SITE INSTRUCTIONS

- 5.a.1. The Engineer-in-Charge/Site-in-Charge shall furnish the Contractor with only the four corners of the work site and a level bench mark and the Contractor shall set out the works and shall provide an efficient staff for the purpose and shall be solely responsible for the accuracy of such setting out.
- 5.a.2. The Contractor shall provide, fix and be responsible for the maintenance of all necessary stakes, templates, level marks, profiles and other similar things and shall take all necessary precautions to prevent their removal or disturbance and shall be responsible for consequences of such removal or disturbance should the same take place and for their efficient and timely reinstatement. The Contractor shall also be responsible for the maintenance of all existing survey marks, either existing or supplied and fixed by the Contractor. The work shall be set out to the satisfaction of the Engineer-in-Charge/Site-in-Charge. The approval thereof or joining in setting out the work shall not relieve the Contractor of his responsibility.
- 5.a.3. Before beginning the works, the Contractor shall, at his own cost, provide all necessary reference and level posts, pegs, bamboos, flags ranging rods, strings and other materials for proper layout of the work in accordance with the scheme, for bearing marks acceptable to the Engineer-in-Charge/Site-in-Charge. The Centre longitudinal or face lines and cross lines shall be marked by means of small masonary pillars. Each pillar shall have distinct marks at the centre to enable theodolite to be set over it. No work shall be started until all these points are checked and approved by the Engineer-in-Charge/Site-in-Charge in writing. But such approval shall not relieve the contractor of any of his responsibilities. The Contractor shall also provide all labour, materials and other facilities, as necessary, for the proper checking of layout and inspection of the points during construction.
- 5.a.4. Pillars bearing geodetic marks located at the sites of units of works under construction should be protected and fenced by the Contractor.
- 5.a.5. On completion of works, the contractor shall submit the geodetic documents according to which the work was carried out.
- 5.a.6. The Engineer-in-Charge/Site-in-Charge shall communicate or confirm his instructions to the contractor in respect of the executions of work in a "work site order book" maintained in the office having duplicate sheet and the authorised representative of the contractor shall confirm receipt of such instructions by signing the relevant entries in the book.
- 5.a.7. All instructions issued by the Engineer-in-Charge/Site-in-Charge shall be in writing. The Contractor shall be liable to carry out the instructions without fail.
- 5.a.8. If the Contractor after receipt of written instruction from the Engineer-in-Charge/ Site-in-Charge requiring compliance within seven days fails to comply with such drawings or 'instructions' or both as the Engineer-in-Charge/Site-in-Charge may issue, owner may employ and pay other persons to execute any such work whatsoever that may be necessary to give effect to such drawings or 'instructions' and all cost and expenses incurred in connection therewith as certified by the Engineer-in-Charge/ Site-in-Charge shall be borne by the contractor or may be deducted from amounts due or that may become due to the contractor under the contract or may be recovered as a debt.



- 5.a.9. The Contractor shall be entirely and exclusively responsible for the horizontal and vertical alignment, the levels and correctness of every part of the work and shall rectify effectually any errors or imperfections therein. Such rectifications shall be carried out by the Contractor, at his own cost.
- 5.a.10. In case any doubts arise in the mind of the Contractor in regard to any expressions, interpretations, statements, calculations of quantities, supply of material rates, etc. the contractor shall refer the same to the Site-in-Charge/ Engineer-in-Charge for his clarification, instructions, guidance or clearing of doubts. The decision of the Engineer-in-Charge/Site-in-Charge shall be final and the contractor shall be bound by such a decision.
- 5.a.11."The Contractor shall take adequate precautions, to ensure that his operations do not create nuisance or misuse of the work space that shall cause unnecessary disturbance or inconvenience to others at the work site".
- 5.a.12. "All fossils, coins articles of value of antiquity and structure or other remains of geological or archaeological discovered on the site of works shall be declared to be the property of the Owner and Contractor shall take reasonable precautions to prevent his workmen or any other persons from removing or damaging any such articles or thing and shall immediately inform the Owner/ Engineer-in-Charge/Site-in-Charge."
- 5.a.13. "Contractor will be entirely and exclusively responsible to provide and maintain at his expenses all lights, guards, fencing, etc. when and where even necessary or/as required by the Engineer-in-Charge/Site-in-Charge for the protection of works or safety and convenience to all the members employed at the site or general public."

### 5.b. COMMENCEMENT OF WORK

The contractor shall after paying the requisite security deposit, commence work within 15 days from the date of receipt of the intimation of intent from the Owner informing that the contract is being awarded. The date of intimation shall be the date/day for counting the starting day/date and the ending day/date will be accordingly calculated. Penalty, if any, for the delay in execution shall be calculated accordingly.

Contractor should prepare detailed fortnightly construction programme for approval by the Engineer-in-Charge within one month of receipt of Letter Of Intent. The work shall be executed strictly as per such time schedule. The period of Contract includes the time required for testing, rectifications, if any, re-testing and completion of work in all respects to the entire satisfaction of the Engineer-in-Charge.

A Letter of Intent is an acceptance of offer by the Owner and it need not be accepted by the contractor. But the contractor should acknowledge a receipt of the purchase order within 15 days of mailing of Purchase Order and any delay in acknowledging the receipt will be a breach of contract and compensation for the loss caused by such breach will be recovered by the Owner by forfeiting earnest money deposit/bid bond.

### 5.c. SUBLETTING OF WORK

5.c.1. No part of the contract nor any share or interest thereof shall in any manner or degree be transferred, assigned or sublet, by the Contractor, directly or indirectly to any firm or corporation whatsoever, without the prior consent in writing of the Owner.



- 5.c.2. At the commencement of every month the Contractor shall furnish to the Engineer-in-charge/Site-in-Charge list of all sub-contractors or other persons or firms engaged by the Contractor.
- 5.c.3 The contract agreement will specify major items of supply or services for which the Contractor proposes to engage sub-Contractor/sub-Vendor. The contractor may from time to time propose any addition or deletion from any such list and will submit the proposals in this regard to the Engineer-in-charge/Designated officer-in-charge for approval well in advance so as not to impede the progress of work. Such approval of the Engineer-in-charge/Designated officer-in-charge will not relieve the contractor from any of his obligations, duties and responsibilities under the contract.
- 5.c.4. Notwithstanding any sub-letting with such approval as resaid and notwithstanding that the Engineer-in-Charge shall have received copies of any sub-contract, the Contractor shall be and shall remain solely to be responsible for the quality and proper and expeditious execution of the works and the performance of all the conditions of the contract in all respects as if such subletting or sub-contracting had not taken place and as if such work had been done directly by the Contractor.
- 5.c.5 Prior approval in writing of the Owner shall be obtained before any change is made in the constitution of the contractor/Contracting agency otherwise contract shall be deemed to have been allotted in contravention of clause entitled "sub-letting of works" and the same action may be taken and the same consequence shall ensue as provided in the clause of "sub- letting of works".

# 5.d EXTENSION OF TIME

- If the Contractor anticipates that he will not be able to complete the work within the contractual delivery/ completion date (CDD), then the Contractor shall make a request for grant of time extension clearly specifying the reasons for which he seeks extension of time and demonstrating as to how these reasons were beyond the control of the contractor or attributable to the Owner. This request should be made well before the expiry of the Contractual Delivery/ Completion Date (CDD).
- 2) If such a request for extension is received with a Bank Guarantee for the full Price Reduction amount calculated on the Total Contract Value, the concerned CGM of the Owner shall grant a Provisional extension of time, pending a decision on the request.
- The concerned CGM of the Owner shall expeditiously decide upon the request for time extension and decide the levy of price reduction within a maximum period of 6 months from the CDD or date of receipt of the request, whichever is earlier.
- 4) Grant of any extension of time shall be by means of issuance of a Change Order.
- 5) In order to avoid any cash crunch to the Contractor, a Bank Guarantee could be accepted against Price Reduction, as stated above. Once a decision is taken, the Price Reduction shall be recovered from any pending bills or by encashment of the BG. Any balance sum of Contractor or the BG (if Price Reduction is fully recovered from the bills) shall be promptly refunded/returned to the Contractor.



#### 5.e. SUSPENSION OF WORKS

- 5.e.1. Subject to the provisions of this contract, the contractor shall if ordered in writing by the Engineer- in-Charge/Site-in-Charge for reasons recorded suspend the works or any part thereof for such period and such time so ordered and shall not, after receiving such, proceed with the work therein ordered to suspended until he shall have received a written order to re-start. The Contractor shall be entitled to claim extension of time for that period of time the work was ordered to be suspended. Neither the Owner nor the Contractor shall be entitled to claim compensation or damages on account of such an extension of time.
- 5.e.2. In case of suspension of entire work, ordered in writing by Engineer-in-Charge/Site-in-Charge, for a period of 30 days, the Owner shall have the option to terminate the Contract as provided under the clause fortermination. The Contractor shall not be at liberty to remove from the site of the works any plant or materials belonging to him and the Employer shall have lien upon all such plant and materials.
- 5.e.3. The contractor shall, in case of suspension have the right to raise a dispute and have the same arbitrated but however, shall not have the right to have the work stopped from further progress and completion either by the owner or through other contractor appointed by the owner.

# 5.f. OWNER MAY DO PART OF WORK

Not withstanding anything contained elsewhere in this contract, the owner upon failure of the Contractor to comply with any instructions given in accordance with the provisions of this contract, may instead of Contract and undertaking charge of entire work, place additional labour force, tools, equipment and materials on such parts of the work, as the Owner may decide or engage another Contractor to carryout the balance of work. In such cases, the Owner shall have the right to deduct from the amounts payable to the Contractor the difference in cost of such work and materials with ten percent overhead added to cover all departmental charges. Should the total amount thereof exceed the amount due to the contractor, the Contractor shall pay the difference to the Owner within 15 days of making demand for payment failing which the Contractor shall be liable to pay interest at 24% p.a. on such amounts till the date of payment.

# 5.g. INSPECTION OF WORKS

5.g.1. The Engineer-in-Charge/Site-in-Charge and Officers from Central or State Government will have full power and authority to inspect the works at any time wherever in progress, either on the site or at the Contractor's premises/workshops of any person, firm or corporation where work in connection with the contract may be in hand or where the materials are being or are to be supplied, and the Contractor shall afford or procure for the Engineer-in-Charge/Site-in-Charge every facility and assistance to carryout such inspection. The Contractor shall, at all times during the usual working hours and at all other times at which reasonable notice of the intention of the Engineer-in-Charge/Site-in-Charge or his representative to visit the works shall have been given to the Contractor, either himself be present to receive orders and instructions, or have a responsible agent, duly accredited in writing, present for the purpose. Orders given to the Contractor's agent shall be considered to have the same force as if they had been given to the Contractor himself. The Contractor shall give not



less than seven days notice in writing to the Engineer-in-Charge/Site-in-Charge before covering up or otherwise placing beyond reach of inspection and measurement any work in order that the same may be inspected and measured. In the event of breach of above, the same shall be uncovered at Contractor's expense for carrying out such measurement and/or inspection.

5.g.2. No material shall be removed and despatched by the Contractor from the site without the prior approval in writing of the Engineer-in-charge. The contractor is to provide at all times during the progress of the work and the maintenance period proper means of access with ladders, gangways, etc. and the necessary attendance to move and adapt as directed for inspection or measurements of the works by the Engineer-in-Charge/Site-in-Charge.

# 5.h. SAMPLES

- 5.h.1. The contractor shall furnish to the Engineer-in-charge/Site-in-Charge for approval when requested or required adequate samples of all materials and finishes to be used in the work.
- 5.h.2. Samples shall be furnished by the Contractor sufficiently in advance and before commencement of the work so as the Owner can carry out tests and examinations thereof and approve or reject the samples for use in the works. All material samples furnished and finally used/applied in actual work shall fully be of the same quality of the approved samples.

#### 5.i. TESTS FOR QUALITY OF WORK

- 5.i.1. All workmanship shall be of the respective kinds described in the contract documents and in accordance with the instructions of the Engineer-in-Charge / Site-in- Charge and shall be subjected from time to time to such tests at Contractor's cost as the Engineer-in-Charge/Site-in-Charge may direct at the place of manufacture or fabrication or on the site or at all or any such places. The Contractor shall provide assistance, instruments, labour and materials as are normally required for examining, measuring and testing any workmanship as may be selected and required by the Engineer-in-Charge/Site-in-Charge.
- 5.i.2. All the tests that will be necessary in connection with the execution of the work as decided by the Engineer-in-charge/Site-in-Charge shall be carried out at the contractors cost and expenses.
- 5.i.3. If any tests are required to be carried out in connection with the work or materials or workmanship to be supplied by the owner, such tests shall be carried out by the Contractor as per instructions of Engineer-in-Charge/Site-in-Charge and expenses for such tests, if any, incurred by the contractor shall be reimbursed by the Owner. The contractor should file his claim with the owner within 15 (fifteen) days of inspection/test and any claim made beyond that period shall lapse and be not payable.

# 5.j. ALTERATIONS AND ADDITIONS TO SPECIFICATIONS, DESIGNS AND WORKS

5.j.1. The Engineer-in-Charge/Site-in-Charge shall have powers to make any alterations, additions and/or substitutions to the schedule of quantities, the original



specifications, drawings, designs and instructions that may become necessary or advisable or during the progress of the work and the Contractor shall be bound to carryout such altered/extra/new items of work in accordance with instructions which may be given to him in writing signed by the Engineer-in-Charge/Site- in-Charge. Such alterations, omissions, additions or substitutions shall not invalidate the contract. The altered, additional or substituted work which the Contractor may be directed to carryon in the manner as part of the work shall be carried out by the Contractor on the same conditions in all respects on which he has agreed to do the work. The time for completion of such altered added and/or substituted work may be extended for that part of the particular job. The rates for such additional altered or substituted work under this Clause shall, be worked out in accordance with the following provisions:

- 5.j.2. If the rates for the additional, altered or substituted work are specified in the contract for similar class of work, the Contractor is bound to carryout the additional, altered or substituted work at the same rates as are specified in the contract.
- 5.j.3. If the rates for the additional, altered or substituted work are not specifically provided in the contract for the work, the rates will be derived from the rates for similar class of work as are specified in the contract for the work. In the opinion of the Engineer-in- Charge/Site-in-Charge as to whether or not the rates can be reasonably so derived from the items in this contract, will be final and binding on the Contractor.
- 5.j.4. If the rates for the altered, additional or substituted work cannot be determined in the manner specified above, then the Contractor shall, within seven days of the date of receipt of order to carry out the work, inform the Engineer-in-Charge/Site-in-Charge of the rate at which he intends to charge for such class of work, supported by analysis of the rate or rates claimed and the Engineer-In-Charge/Site-in-Charge shall determine the rates on the basis of the prevailing market rates for both material and labour plus 10% to cover overhead and profit of labour rates and pay the Contractor accordingly. The opinion of the Engineer-in-Charge/Site-in-Charge as to current market rates of materials and the quantum of labour involved per unit of measurement will be final and binding on the contractor.
- 5.j.5. In case of any item of work for which there is no specification supplied by the Owner and is mentioned in the tender documents, such work shall be carried out in accordance with Indian Standard Specifications and if the Indian Standard Specifications do not cover the same, the work should be carried out as per standard Engineering Practice subject to the approval of the Engineer-in-Charge/ Site-in-Charge.

### 5.k. PROVISIONAL ACCEPTANCE

Acceptance of sections of the works for purposes of equipment erection, piping, electrical work and similar usages by the Owner and payment for such work or parts of work shall not constitute a waiver of any portion of this contract and shall not be construed so as to prevent the Engineer from requiring replacement of defective work that may become apparent after the said acceptance and also shall not absolve the Contractor of the obligations under this contract. It is made clear that such an acceptance does not indicate or denote or establish to the fact of execution of that work or the Contract until the work is completed in full in accordance with the provisions of this Contract.



#### 5.I. COMPLETION OF WORK AND COMPLETION CERTIFICATE

As soon as the work is completed in all respects, the contractor shall give notice of such completion to the site in charge or the Owner and within thirty days of receipt of such notice the site in charge shall inspect the work and shall furnish the contractor with a certificate of completion indicating:

- a) defects, if any, to be rectified by the contractor
- b) items, if any, for which payment shall be made in reduced rates
- c) the date of completion.

### 5.m. USE OF MATERIALS AND RETURN OF SURPLUS MATERIALS

- 5.m.1. Notwithstanding anything contained to the contrary in any or all of the clauses of this contract, where any materials for the execution of the contract are procured with the assistance of Government either by issue from Government stocks or procurement made under orders or permits or licences issued by Government, the contractor shall use the said materials economically and solely for the purpose of the contract and shall not dispose them of without the permission of the Owner.
- 5.m.2. All surplus(serviceable) or unserviceable materials that may be left over after the completion of the contract or at its termination for any reason whatsoever, the Contractor shall deliver the said product to the Owner without any demur. The price to be paid to the Contractor, if not already paid either in full or in part, however, shall not exceed the amount mentioned in the Schedule of Rates for such material and in cases where such rates are not so mentioned, shall not exceed the CPWD scheduled rates. In the event of breach of the aforesaid condition the contractor shall become liable for contravention of the terms of the Contract.
- 5.m.3. The surplus (serviceable) and unserviceable products shall be determined by joint measurement. In case where joint measurement has failed to take place, the Owner may measure the same and determine the quantity.
- 5.m.4. It is made clear that the Owner shall not be liable to take stock and keep possession and pay for the surplus and unserviceable stocks and the Owner may direct the Contractor to take back such material brought by the Contractor and becoming surplus and which the Owner may decide to keep and not to pay for the same.

# 5.n. DEFECT LIABILITY PERIOD

The contractor shall guarantee the work executed for a period of 12 months from the date of completion of the job. Any damage or defect that may arise or lie undiscovered at the time of completion of the job shall be rectified or replaced by the contractor at his own cost. The decision of the Engineer In-charge/Site-Incharge/Owner shall be the final in deciding whether the defect has to be rectified or replaced.

Equipment or spare parts replaced under warranty/guarantees shall have further warranty for a mutually agreed period from the date of acceptance.

The owner shall intimate the defects noticed in writing by a Registered A.D. letter or otherwise and the contractor within 15 days of receipt of the intimation shall start the rectification work and complete within the time specified by the owner failing which the owner will get the defects rectified by themselves or by any other contractor and the expenses incurred in getting the same done shall be paid by the Contractor under the provision of the Contract.

Thus, defect liability is applicable only in case of job/works contract (civil, mechanical, electrical, maintenance etc.) where any damage of defect may arise in future (i.e. within 12 months from the date of completion of job) or lie undiscovered at the time of completion of job.



In other words, in case of service contracts (like car hire etc.) where there is no question of damage or defect arising in future, the defect liability clause is not applicable.

® Equipment or spare parts replaced under warranty/guarantees shall have further warranty for 12 months from the date of acceptance. However, in no case will the warranty exceed 24 months from the date of start of the original warranty. (Refer Annexure 22 – Govt. Guideline Sr. No. 14)

#### 5.o. DAMAGE TO PROPERTY

- 5.o.1. Contractor shall be responsible for making good to the satisfaction of the Owner any loss of and any damage to all structures and properties belonging to the Owner or being executed or procured by the Owner or of other agencies within the premises of the work of the Owner, if such loss or damage is due to fault and/or the negligence or willful acts or omission of the Contractor, his employees, agents, representatives or sub-contractors.
- 5.o.2. The Contractors shall indemnify and keep the Owner harmless of all claims for damage to Owner's property arising under or by reason of this contract.

# **®** 5.p. LIMITATION OF LIABILITY

Notwithstanding anything contrary contained herein, the aggregate total liability of Seller, excluding his liability towards infringement of patent, trade mark or industrial design rights under the contract or otherwise shall be limited to 100% of value of Purchase order. However, neither party shall be liable to the other party for any indirect and consequential damages, loss of profits or loss of production. (Refer Annexure 22 – Govt. Guideline Sr. No. 13)

# 6. DUTIES AND RESPONSIBILITIES OF CONTRACTOR

# 6.a. EMPLOYMENT LIABILITY TOWARDS WORKERS EMPLOYED BY THE CONTRACTOR

- 6.a.1 The Contractor shall be solely and exclusively responsible for engaging or employing persons for the execution of work. All persons engaged by the contractor shall be on Contractor's payroll and paid by Contractor. All disputes or differences between the Contractor and his/their employees shall be settled by Contractor.
- 6.a.2. Owner has absolutely no liability whatsoever concerning the employees of the Contractor. The Contractor shall indemnify Owner against any loss or damage or liability arising out of or in the course of his/their employing persons or relation with his/their employees. The Contractor shall make regular and full payment of wages and on any complaint by any employee of the Contractor or his sub contractor regarding non-payment of wages, salaries or other dues, Owner reserves the right to make payments directly to such employees or subcontractor of the Contractor and recover the amount in full from the bills of the
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Contractor and the contractor shall not claim any compensation or reimbursement thereof. The Contractor shall comply with the Minimum Wages Act applicable to the area of work site with regard to payment of wages to his employees and also to employees of his sub contractor.

6.a.3. The Contractor shall advise in writing or in such appropriate way to all of his employees and employees of sub-contractors and any other person engaged by him that their appointment/employment is not by the Owner but by the Contractor and that their present appointment is only in connection with the construction contract with Owner and that therefore, such an employment/appointment would not enable or make them eligible for any employment/appointment with the Owner either temporarily or/and permanent basis.

### 6.b. NOTICE TO LOCAL BODIES

The contractor shall comply with and give all notices required under any Government authority, instruction, rule or order made under any act of parliament, state laws or any regulations or by-laws of any local authority relating to the works.

#### 6.c. FIRST AID AND INDUSTRIAL INJURIES

- 6.c.1 Contractor shall maintain first aid facility for his employees and those of his sub-contractors.
- 6.c.2. Contractor shall make arrangements for ambulance service and for the treatment of all types of injuries. Names and telephone numbers of those providing such services shall be furnished to Owner prior to start of construction and their name board shall be prominently displayed in Contractor's field office.
- 6.c.3. All industrial injuries shall be reported promptly to owner and a copy of contractor's report covering each personal injury requiring the attention of a physician shall be furnished to the Owner.

### 6.d. SAFETY CODE

- 6.d.1. The Contractor shall at his own expenses arrange for the Safety provisions as may be necessary for the execution of the work or as required by the Engineer-in-Charge in respect of all labours directly or indirectly employed for performance of the works and shall provide all facilities in connections therewith. In case the contractor fails to make arrangements and provide necessary facilities as aforesaid, the Owner shall be entitled to do so and recover the cost thereof from the Contractor.
- 6.d.2. From the commencement to the completion of the works, the contractor shall take full responsibility for the care thereof and of all the temporary works (defined as meaning all temporary works of every kind required in or for the execution, completion or maintenance of the works). In case damage, loss or injury shall happen to the works or to any part thereof or to temporary works or to any cause whatsoever repair at his (Contractor's) own cost and make good the same so that at the time of completion, the works shall be in good order and condition and in conformity in every respect with the requirement of the contract and Engineer-in-Charge's instructions.



- 6.d.3. In respect of all labour, directly or indirectly employed in the work for the performance of the Contractor's part of this agreement, the contractor shall at his own expense arrange for all the safety provisions as per relevant Safety Codes of C.P.W.D Bureau of Indian Standards, the Electricity Act/I.E. Rules. The Mines Act and such other Acts as applicable.
- 6.d.4. The Contractor shall observe and abide by all fire and safety regulations of the Owner. Before starting construction work, the Contractor shall consult with Owner's Safety Engineer or Engineer-in-Charge/Site-in-Charge and must make good to the satisfaction of the Owner any loss or damage due to fire to any portion of the work done or to be done under this agreement or to any of the Owner's existing property.
- 6.d.5. The Contractor will be fully responsible for complying with all relevant provisions of the Contract Labour Act and shall pay rates of Wages and observe hours of work/conditions of employment according to the rules in force from time to time.
- 6.d.6. The Contractor will be fully responsible for complying with the provision including documentation and submission of reports on the above to the concerned authorities and shall indemnify the Corporation from any such lapse for which the Government will be taking action against them.
- 6.d.7. Owner shall on a report having been made by an inspecting Office as defined in the Contract Labour Regulations have the power to deduct from the money due to the Contractor any sum required or estimated to be required for making good the loss suffered by a worker(s) by reasons of non-fulfillment of conditions of contract for the benefit of workers no-payment of wages or of deductions made from his or their wages which are not justified by the terms of contract or non observance of the said contractor's labour Regulation.

#### 6.e. INSURANCE AND LABOUR

Contractor shall at his own expense obtain and maintain an insurance policy with a Nationalised Insurance Company to the satisfaction of the Owner as provided hereunder.

### 6.e.1. EMPLOYEES STATE INSURANCE ACT

- i. 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 Owner harmless from any liability or penalty which may be imposed by the Central, State or local authority by reason of any asserted 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 Owner arising under, growing out of or by reason of the work provided for by this contract whether brought by employees of the Contractor, by third parties or by Central or State Government authority or any political sub-division thereof.
- ii. 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 emuneration 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.