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REPORT
OF
The Working Group set up to prepare
A
STANDARD CONTRACT FORM
FOR
CONSTRUCTION WORKS



PLANNING COMMISSION
(Construction Division)
NEW DELHI

February 1968

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PREFACE

1. Construction accounts for a major share of expenditure in any Plan for socio-economic development. Along with the increase in the total outlay in each successive Plan, expenditure on construction has also recorded a steady increase. The rise in the volume of construction activities has, however, been accompanied by a steady increase in cost of construction. The necessity of achieving economy in construction costs and the effect of savings so accrued in relieving the strain on the nation's resources are thus obvious.

2. Factors like planning, technological innovations in construction techniques, mechanisation, use of a variety of new materials, etc. have a considerable influence on construction costs; but an aspect which is equally important is the mode of execution of works. Although there are a number of construction departments and organisations under the Central Ministries and in States which execute works financed from public funds, construction is largely executed through the agency of private contractors. Departmental execution is generally resorted to in special cases only. The volume of construction handled by voluntary organisations, labour cooperatives and Government sponsored corporate bodies is comparatively small.

3. General conditions of contract which are at present in vogue in Government departments were drawn up in the pre-independence days when the magnitude of construction was small and the approach to contractors' problems vastly different. Although these conditions have been modified from time to time, the spirit underlying them has not materially altered. The present day developmental activity under which the magnitude of construction is large and more technical in nature, necessitates a different approach and a fuller appreciation of contractor's problems.

4. Contract forms in use in Government departments throw on contractors an undue share of risk of unforeseen conditions. Terms of payment and settlement of disputes

(ii)

are not equitable. Capital gets unduly locked up in the form of earnest money and security deposit/retention money. If prices to be quoted by tenderers are to be fair to both parties, conditions of contract must not be unreasonable or vague and open to argument. Financial arrangements should be equitable and payments prompt. Powers of supervisory staff to suspend work, to order deviations and to reject work should be clearly defined. These reasonable and essential conditions cannot be said to prevail at present. Consequently contractors cater for all these eventualities in their quotations and raise them correspondingly. Government, therefore, pays more than it need have done if conditions were more equitable. It is essential that all factors which contribute towards an avoidable increase in cost are eliminated.

5. The Planning Commission visualised this and set up a Committee to prepare a contract form embodying conditions which will be fair & equitable to both parties. I am glad to say that this task has now been completed. Adoption of the General Conditions of Contract which have been prepared jointly by representatives of the Planning Commission, Ministries carrying out construction works, Ministries of Law and Finance, the Builders' Association of India and the National Buildings Construction Corporation should result in reducing construction cost and speeding up construction besides allaying misgivings of builders and help the construction industry to develop on proper lines. It should not only lead to a measure of uniformity in contractual dealings between Construction Departments of Governments and of Public Sector Undertakings on the one hand and Builders on the other but also to smoother administration of contracts.

6. I wish to place on record my appreciation of the valuable work done by the members of the Working Group and its Chairman, Shri P. N. Gadi.

Major General HARKIRAT SINGH
Adviser (Construction)
Planning Commission
New Delhi.

REPORT

1. The problem of finding adequate finance on reasonable terms has been one of the main difficulties faced by the construction industry in India. Shortage of capital has retarded its growth along modern lines. Out of whatever capital the industry is able to mobilise a portion gets tied up in the form of earnest money, security deposit, delayed payments, etc. Existing contract conditions contain avoidable uncertainties. While quoting for works, builders cater for all these eventualities and this ultimately results in higher cost of construction.

2. To examine this problem the Planning Commission set up a Study Group to study economy in construction costs and financing of the construction industry *vide* Resolution No. PC/Const/NPC/1/6(1)/65 dated 1st October 1965 (Annexure 'A').

3. The Study Group discussed various aspects of the matter in accordance with its terms of reference and agreed to examine it under the following two sub-heads :

- (a) Study of the existing sources of financing of construction industry and to advise on alternative arrangements to provide easy credit facilities;
- (b) To examine contractual conditions and administrative procedures with a view to eliminating avoidable uncertainties, blockage of contractor's capital and minimising risk of unforeseen conditions and to recommend measures in this respect which would lead to maximum economies in construction costs.

Two Sub-committees were, therefore, constituted to study the matter in detail.

4. It is understood that the Sub-committee on financing of the construction industry has since submitted its report which, *inter alia*, contains short-term and long-term measures. The setting up of a Construction Finance Corporation has been recommended by the Sub-committee as the long term measure. The short-term measures recommended include advancing of loans to contractors by construction departments for execution of works, funds being obtained out of normal budget allotment.

5. The second Sub-committee's task was to prepare a Standard Contract Form which would be equitable to both parties, eliminate uncertainties and delays and would not throw on contractors an undue share of risk of unforeseen conditions. The Sub-committee which was composed of representatives of the Planning Commission, Ministries carrying out construction works, Ministries of Law and Finance, the Builders' Association of India, and the National Buildings Construction Corporation addressed itself to the task of preparing a Standard Contract Form which could be adopted by Government Departments and Public Sector Undertakings.

6. While the work on preparation of a Standard Contract Form was in progress, the Sub-committee on financing of the construction industry completed its work. Thereupon the Planning Commission decided to wind up the Study Group and to convert the Sub-committee for preparation of a Standard Contract Form into A Working Group. This Working Group was constituted *vide* Planning Commission Resolution No. PC/Constn/NPC/1/6(1)/67 dated 6th November 1967 (Annexure 'B').

7. The Sub-committee and later the Working Group held several meetings in which most of the controversial clauses were discussed at length and settled. Later, a draft of the complete contract form was prepared and discussed at a series of meetings. The General Conditions of Contract finally agreed at Annexure 'C'. Tender Forms for use in Lumpsum and Item Rate and Percentage Rate Contracts have also been prepared and are attached as Annexures D-1 and D-2. The form proposed for Notice Inviting Tenders is attached as Annexure 'E'. Forms of different deeds required under the General Conditions of Contract are attached as Annexures F-1 to F-5.

8. These Forms could be adopted by construction departments of Central Ministries, State Governments and Public Sector Undertakings with such modifications as may be necessary.

9. Along with the introduction of the attached General Conditions of Contract, suitable administrative instructions should be issued by Heads of Departments to give effect to important provisions of these conditions *e.g.* Payments to contractors' Technical Examination, Bonus and Arbitration. Payments due to contractors should be made without delay and in any case within the period prescribed or otherwise Government would

become liable to pay some interest. Inspection of works by Technical Examiners should, as far as possible, be conducted during the course of execution of work and in any case before expiry of the Defects Liability Period. This would facilitate prompt rectification of defects pointed out during Technical Examination. The provision of a clause for award of Bonus to a contractor for earlier completion of work should be considered in those cases only in which Government stands to gain substantially by earlier completion. The existing practice of adjudication by a 'single' arbitrator appointed by the Department has been strongly criticised by Contractors. With a view, however, to retaining the advantages of a single arbitrator, it is provided that arbitration should be by a sole arbitrator acceptable to both parties.

10. In preparing the General Conditions of Contract we have taken into account the recommendations of Committees which were set up by Government in the past to rationalise contract conditions. Adoption of the proposed General Conditions of Contract should result in reducing construction costs and speedier completion of works besides allaying misgivings of builders and help the construction industry to develop on proper lines. It should also promote keener competition by encouraging such contractors also to enter the field of Government contracts as are at present reluctant to do so because of the present stringent conditions of contract.

Chairman

Sd/- P. N. GADI

Members

Sd/- C. P. MALIK

Sd/- B. T. MERCHANT

Sd/- L. G. SELVAM

Sd/- D. DUTT

Sd/- Y. G. PATEL

Sd/- V. S. DEVDHAR

Sd/- V. K. C. IYENGAR

Sd/- U. S. RAO

Sd/- G. S. BHASIN

ANNEXURE-A

To be published in the Gazette of India, Part I, Section I.

No. PC/Constn/NPC/1/6(1)/65

GOVERNMENT OF INDIA

PLANNING COMMISSION

New Delhi.

October 1, 1965

Asvina 9, 1887 Saka.

RESOLUTION

SUBJECT : *Setting up of a Group to study economy in construction cost and financing of the construction industry*

The National Productivity Council set up a Study Panel to study productivity in construction industry. At the meeting of this Panel held on 28th May 1965, in Planning Commission, Yojana Bhavan, New Delhi, it was agreed to constitute a set of Groups to study economy in construction cost and financing of the construction industry. The Planning Commission has accordingly decided to set up a Group to study economy in construction cost and financing of the construction industry in all its aspects. The Group has been constituted as under:

1. Major General Harkirat Singh, Chairman
Adviser (Construction),
Planning Commission,
New Delhi
2. Shri Y. G. Patel, Member
President,
Builders' Association of India,
United India Building,
2nd floor, West Wing,
Sir Phirozshah Mehta Road,
Fort, Bombay-1.
3. Shri N. S. Gupchup, Do.
Chief Engineer,
Hindustan Construction Co. Ltd.,
Construction House, Ballard Estate,
Bombay-1.

- | | | |
|-----|---|--------|
| 4. | Shri Uttam Singh Duggal,
Engineers & Contractors,
11, Marina Arcade,
New Delhi-1 | Member |
| 5. | Shri H. J. Shah,
Managing Director,
M/S. Shah Construction Co. Ltd.
198, Churchgate Reclamation,
Bombay-1. | Do. |
| 6. | Shri G. D. Bhagyam,
Chief Surveyor of Works.
Gammon India Ltd.,
Gammon House,
Cadell Road, Prabha Devi.,
Bombay-28. | Do. |
| 7. | Shri N. G. Dewan,
Chief Engineer, C.P.W.D.,
Nirman Bhavan,
New Delhi. | Do. |
| 8. | Shri D. N. Chopra,
Additional Member (Works),
Ministry of Railways (Railway Board),
Rail Bhavan,
New Delhi. | Do. |
| 9. | Shri A. R. Venkataraman,
Member (P. & P.),
Central Water & Power Commission.,
Bikaner House,
New Delhi-1. | Do. |
| 10. | Shri C. B. Patel,
Director,
National Buildings Organisation,
Minerals of India Pavillion,
Exhibition Grounds, Mathura Road,
New Delhi. | Do. |
| 11. | Shri D. Dutt,
Managing Director,
National Building Construction
Corporation Ltd.,
44, Ring Road, Lajpatnagar-III,
New Delhi-14. | Do. |

- | | | |
|-----|---|------------------|
| 12. | Shri J. S. Jain,
General Manager & Chief Engineer,
National Projects Construction
Corporation, Ltd.,
E-9, Defence Colony,
New Delhi-3,. | Member |
| 13. | Shri M. D. Mithal,
Programme Adviser,
Central Constn. Service,
Bharat Sevak Samaj,
12, Theatre Communication Building,
Connaught Circus,
New Delhi-1. | Do. |
| 14. | Shri O. P. Mittal,
Engineer-Member,
Delhi Development Authority,
Delhi Vikas Bhavan,
Indraprastha Estate,
New Delhi-1. | Do. |
| 15. | Shri U. R. Chadha,
Superintending Surveyor of Works,
Directorate General of Border Roads,
Kashmir House,
New Delhi. | Do. |
| 16. | Brig. J. S. Sandhu,
D. W. (P. & C.),
Engineer-in-Chief's Branch,
Army Headquarters,,
Kashmir House,
New Delhi. | Do. |
| 17. | A representative of
Ministry of Finance,
Government of India,
New Delhi. | Do. |
| 18. | Shri A. N. Malhotra,
Director (Construction),
Planning Commission,
New Delhi. | Member-Secretary |

The Chairman will have the authority to co-opt other members as and when necessary.

2. The terms of reference will be :—

- (i) study of the existing sources of financing construction industry with particular reference to the incidence of costs and to advise alternative sources of credit to provide easy credit facilities;
- (ii) to find out as to where the moneys are invested in the works items such as advances, machinery, tools and plants, materials, security deposits, delayed payments; to locate the element of essential costs and to suggest measures of minimising of the capital expenditure;
- (iii) to suggest measures for regular monthly payments for work done upto-date and speedy settlement of final bills; and
- (iv) to examine contractual conditions and administrative procedures and to recommend measures in this respect which would lead to maximum economies in construction costs.

3. The payment of T.A. (including D.A.) to the non-officials will be regulated in accordance with the instructions contained in the Ministry of Finance (Department of Expenditure) Office Memorandum No. F-6(28)E-IV/59, dated the 5th September, 1960, as amended from time to time.

ORDER

Ordered that a copy of the above Resolution be published in the Gazette of India and communicated to all concerned

Sd/- G. R. KAMAT,
Secretary to the Government of India.

**The Manager,
Government of India Press,
Faridabad (Punjab).**

Copy to:—

**Members of the Study Panel
All State Governments and Administrations of Union
Territories.
All Ministries of the Government of India.
Secretary to the President.
Prime Minister's Secretariat.
Cabinet Secretariat.
Department of Parliamentary Affairs.
Parliament Library (5),
Editor, 'Yojana'.**

ANNEXURE-B

To be published in the Gazette of India Part I, Section I.

No. PC/Constn/NPC/1/6(1)/67

GOVERNMENT OF INDIA

PLANNING COMMISSION

Yojna Bhavan,

New Delhi, November 6, 1967.

RESOLUTION

SUBJECT : *Setting up of a Working Group to prepare Standard Contract Form (s).*

Conditions of contract adopted by Construction Departments of the Central and State Governments and Public Sector Undertakings have significant variations. In order to streamline the existing conditions and to minimise the degree of uncertainties, preparation of Standard Contract Form(s) based on a more rational basis is considered necessary. Accordingly the Planning Commission has decided to set up a Working Group to prepare Standard Contract Form(s). The Working Group has been constituted as under :—

- | | |
|---|----------|
| 1. Shri P. N. Gadi,
Consultant (Construction)
Planning Commission,
New Delhi. | Chairman |
| 2. Shri B. T. Merchant,
Solicitor,
Ministry of Law,
(Deptt. of Legal Affairs),
North Block,
New Delhi. | Member |
| 3. Shri C. P. Malik,
Addl. Chief Engineer, C.P.W.D.,
Nirman Bhavan,
New Delhi. | Do. |

- | | | |
|-----|---|--------|
| 4. | Shri L. G. Selvam,
Adviser (Construction),
Bureau of Public Enterprises,
Ministry of Finance,
North Block,
New Delhi. | Member |
| 5. | Shri V. S. Deydhar,
Chief Surveyor of Works,
E-in-C's Branch,
Kashmir House,
King George's Avenue,
New Delhi-11. | Do. |
| 6. | Shri V. K. C. Iyengar,
Superintending Surveyor of Works,
Dte. Genl. of Border Roads,
Kashmir House,
King George's Avenue,
New Delhi. | Do. |
| 7. | Shri Y. G. Patel,
Builders' Association of India,
United India Bldg.,
2nd floor, West Wing,
Sir Phirozshah Mehta Road,
Fort, Bombay-1. | Do. |
| 8. | Shri D. Dutt,
Managing Director,
National Buildings Constn.
Corp'n. Ltd.,
44, Ring Road, Lajpatnagar-III,
New Delhi-14. | Do. |
| 9. | Shri U. S. Rao,
Joint Director (CE),
Rly, Board,
Rail Bhavan,
New Delhi. | Do. |
| 10. | Shri G. S. Bhasin,
Under Secretary
(Works Division),
Ministry of Finance,
Nirman Bhavan,
New Delhi. | Do. |

The Chairman will have the authority to co-opt other members as and when necessary.

2. The terms of reference will be as under :

To examine existing contractual conditions and to prepare Standard Contract Form(s) for use by Construction Departments of Governments and of Public Sector Undertakings with a view to:—

- (a) removing uncertainties and providing, *inter alia*, for regular advance payments for work done and for speedy settlement of final bills;
- (b) eliminating unnecessary blocking of contractor's capital in the form of earnest money, security deposit, retention money; and
- (c) making conditions generally equitable.

3. Payment of T.A. (including D.A.) to non-officials will be regulated in accordance with the instructions contained in the Ministry of Finance (Department of Expenditure) Office Memorandum No. F.6(28)E.IV/59, dated 5th September 1960 as amended from time to time.

ORDER

Ordered that a copy of the above Resolution be published in the Gazette of India and communicated to all concerned.

Sd/- B. D. PANDE,
Secretary to the Government of India.

The Manager,
Govt. of India Press,
Faridabad.

Copy forwarded to Members of the Working Group.

Copy also to.

1. All State Governments and Administrations of Union Territories.
2. All Ministries of the Government of India.
3. Secretary to the President
4. Prime Minister's Secretariat.
5. Cabinet Secretariat.
6. Department of Parliamentary Affairs.
7. Parliament Library (5 copies).
8. Editor, 'Yojana'.

Sd/- G. C. BAVEJA,
Joint Secretary to the Govt. of India.

ANNEXURE—C

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OF

CONTRACT

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*Delete whichever is inapplicable.

**Delete where inapplicable.

ANNEXURE—C
GENERAL CONDITIONS OF CONTRACT
CHAPTER I

INTERPRETATION AND DEFINITIONS

Singular & Plural

1. Where the context so requires, words importing the singular only also include the plural and *vice versa*.

Headings and Marginal Notes to Conditions

2. Headings and marginal notes to these General Conditions shall not be deemed to form part thereof or be taken into consideration in the interpretation or construction thereof or of the Contract.

Definitions

3. (a) The "Accepting Authority" shall mean the authority mentioned in Schedule F.

(b) The "Contract" shall mean the notice inviting the tender, the tender and acceptance thereof and the formal agreement, if any, executed between the President of India/Governor of a State and the Contractor together with the documents referred to therein including these Conditions with appendices and any special Conditions, the specifications, designs, drawings, priced schedule/bills of quantities and schedule of rates. All these documents taken together shall be deemed to form one Contract and shall be complementary to one another.

(c) The "Contractor" shall mean the individual or firm or company whether incorporated or not, undertaking the Works and shall include legal representatives of such individual or persons composing such firm or unincorporated company, or successors of such firm or company as the case may be and permitted assigns of such individual or firm or company.

(d) The "Contract Sum" shall mean :

(i) in the case of Lump Sum Contracts the sum for which the tender is accepted;

(ii) in the case of Percentage Rate Contracts the estimated value of the Works as mentioned in the tender adjusted by the Contractor's percentage;

(iii) in the case of Item Rate Contracts the cost of the Works arrived at after extension of the quantities shown in Schedule of Items/Quantities by the item rates quoted by the tenderer for the various items.

(e) A "Day" shall mean a day of 24 hours from midnight to midnight irrespective of the number of hours worked in that day.

(f) The "Engineer-in-Charge" shall mean the Executive Engineer or an officer appointed by him in writing who shall direct and supervise and be in charge of the Works.

(g) "Excepted Risks" are risks due to riots (otherwise than among Contractor's employees) and civil commotion (in so far as both these are uninsurable), war (whether declared or not), invasion, act of foreign enemies, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power, any acts of Government, damage from aircraft, acts of God, such as earthquake, lightning and unprecedented floods and other causes over which the Contractor has no control and accepted as such by the Accepting Authority or causes solely due to use or occupation by Government of the Works in respect of which a certificate of completion has been issued or a cause solely due to Government's faulty design of Works.

(h) "Government" or "Government of India" shall mean the President of India, his successors in office and assigns. In case of a Contract relating to a State, "Government" or "Government of the State of" shall mean the Governor of the said State, his successors in office and assigns.

(i) "Market Rate" shall be the rate as decided by the Engineer-in-Charge on the basis of the cost of materials and labour to the Contractor at the Site where the work is to be executed, plus the percentage mentioned in Schedule F to cover all overheads and profit.

(j) "Nominated Sub-contractor" shall mean all specialists, merchants, tradesmen and others executing any special work or supplying any materials for which provisional or prime cost sums are included in the Contract, who may have been or be nominated or selected or approved by the Accepting Authority/Engineer-in-Charge and shall be deemed to be employed by the Contractor.

(k) "Prime Cost" and "Prime Cost Sum" shall mean the amount actually paid by the Contractor for any article, 1 com-

modity or special work and shall include all proper charges for packing, carriage and delivery to Site, after deduction of all trade discounts, rebates and allowances and the discount obtainable for cash in so far as such discount for cash exceeds 2½ percent.

(l) "Provisional Items" shall mean items for which approximate quantities have been included in the tender documents.

(m) "Provisional Sum" or "Provisional Lumpsum" shall mean a lumpsum included by Government in the tender documents and shall represent the estimated value of work for which details are not available at the time of issue of tender.

(n) Schedule(s) referred to in these Conditions shall mean the relevant Schedule(s) annexed to the tender papers issued by Government.

(o) The "Site" shall mean the lands and/or other places on, under, in or through which the work is to be executed under the Contract including any other lands or places which may be allotted by Government or used for the purposes of the Contract.

(p) "Temporary Works" shall mean all temporary works of every kind required in or about the execution, completion or maintenance of the Works.

(q) "Urgent Works" shall mean any urgent measures which, in the opinion of the Engineer-in-Charge, become necessary during the progress of the works to obviate any risk of accident or failure or which become necessary for security.

(r) A "Week" shall mean seven days without regard to the number of hours worked in any day in that week.

(s) The "Works" shall mean the works to be executed in accordance with the Contract or part(s) thereof as the case may be and shall include all extra or additional, altered or substituted works as required for performance of the Contract.

CHAPTER II

SCOPE AND PERFORMANCE

Contract Documents

4. The Contractor shall be furnished, free of charge, two certified true copies of the Contract Documents and of all further Drawings which may be issued during the progress of the Works. He shall keep one copy of these Documents on the Site in good order, and the same shall at all reasonable times be available for inspection and use by the Engineer-in-Charge, his representatives or by other Inspecting Officers.

None of these Documents shall be used by the Contractor for any purpose other than that of this Contract.

*The Contractor shall take necessary steps to ensure that all persons employed on any work in connection with this Contract have noticed that the Indian Official Secrets Act 1923 (XIX of 1923) applies to them and shall continue so to apply even after the execution of such works under the Contract.

Works to be carried out

5. The work to be carried out under the Contract shall, except as otherwise provided in these Conditions, include all labour, materials, tools, plant, equipment, and transport which may be required in preparation of and for and in the full and entire execution and completion of the Works. The descriptions given in the Schedule of Works/Items/Quantities and the Bills of Quantities shall, unless otherwise stated, be held to include waste on materials, carriage and cartage, carrying in, return of empties, hoisting, setting, fitting and fixing in position and all other labours necessary in and for the full and entire execution and completion as aforesaid in accordance with good practice and recognised principles.

Inspection of Site

6. The Contractor shall inspect and examine the Site and its surroundings and shall satisfy himself before submitting his tender as to the nature of the ground and subsoil (so far

*Delete where secrecy is not required

as is practicable), the form and nature of the Site the quantities and nature of work and materials necessary for the completion of the Works and the means of access to the Site, the accommodation he may require and in general shall himself obtain all necessary information as to risks, contingencies and other circumstances which may influence or affect his tender. No extra charges consequent on any misunderstanding or otherwise shall be allowed.

Sufficiency of Tender

7. The Contractor shall be deemed to have satisfied himself before tendering as to the correctness and sufficiency of his tender for the Works and of the rates and prices quoted in the Schedule of Works/Items/Quantities or in Bills of Quantities, which rates and prices shall, except as otherwise provided, cover all his obligations under the Contract and all matters and things necessary for the proper completion and maintenance of the Works.

Prime Costs Sums

8. All Prime Costs Sums for the supply of materials or the execution of work by persons to be nominated by the Engineer-in-Charge or selected in such a way as he may direct, shall be specified in the tender documents.

The full amount of the Prime Cost Sums inserted in the tender documents and the Value of the percentage addition thereto quoted by the Contractor to cover all overheads and profit shall be deducted from the Contract Sum. The Contractor shall be paid the actual Prime Cost (as defined) plus the percentage addition quoted by him to cover all overheads and profit.

The Engineer-in-Charge shall be at liberty to order and pay for all or any portion of such items direct and issue them to the Contractor for fixing only, in which case the Contractor shall not be paid anything to cover any overheads and profit in respect of such items. He shall be paid for fixing, where applicable, in accordance with the Conditions of the Contract; the payment for fixing shall cover unloading, getting in, unpacking and return of empties and other incidental work.

Provisional Sums

9. (A) The full amount of Provisional Lump-sums inserted in the tender documents shall be deducted from the Contract Sum and the value of work ordered and executed thereunder shall

be ascertained by measurement or valuation as for deviations. No work under these items is to be begun without instructions in writing from the Engineer-in-Charge.

No addition or deduction shall be made by the Contractor to the amount of the Provisional Lump-sums as included in the tender documents.

Provisional Items

9. (B) In lumpsum contracts the value annexed to each Provisional Item inserted in the tender documents shall be deducted from the Contract Sum and the value of work ordered and executed thereunder shall be ascertained by measurement or valuation as for deviations. No work under these items is to be begun without instructions in writing from the Engineer-in-Charge.

Discrepancies and Adjustment of Errors

10. The several documents forming the Contract are to be taken as mutually explanatory of one another, detailed drawings being followed in preference to small scale drawings and figured dimensions in preference to scale and Special Conditions in preference to General Conditions.

In the case of discrepancy between Schedule of Works, the Bills of Quantities, the Specifications and/or the Drawings, the following order of preference shall be observed:

- (a) Description in Schedule of Works/Bills of Quantities
- (b) Particular Specification
- (c) Drawings
- (d) General Specifications.

If there are varying or conflicting provisions made in any one document forming part of the Contract, the Accepting Authority shall be the deciding authority with regard to the intention of the document.

Any error in description, quantity or rate in Schedule of Works/Items or Bills of Quantities or any omission therefrom shall not vitiate the Contract or release the Contractor from the execution of the whole or any part of the Works comprised therein according to drawings and specifications or from any of his obligations under the Contract.

Any error in quantity or amount in Schedule of Works/Items or Bills of Quantities and General Summary shall be adjusted in accordance with the following rules :

- (a) In the event of a discrepancy between description in words and figures quoted by a tenderer, the description in words shall prevail.
- (b) In the event of an error occurring in the amount column of Schedule of Works/Items or Bill of Quantities as a result of wrong extension of the unit rate and quantity the unit rate shall be regarded as firm and extension shall be amended on the basis of the rate.
- (c) All errors in totalling in the amount column and in carrying forward totals shall be corrected.
- (d) Any omissions to include in the totals or to carry forward the Prime Cost Sums and the percentage thereon or the Provisional Sums shall be corrected. If no percentage on Prime Cost Sums is quoted by the Contractor, the percentage shall be considered as Nil.
- (e) The totals of Bills of Quantities, as amended above, shall be carried over to Schedule of Works/Items. Similarly, totals of various sections of Schedule of Works/Items as amended shall be carried over to the General Summary and the tendered sum amended accordingly. The tendered sum so altered shall, for the purpose of the tender, be substituted for the sum originally tendered and considered for acceptance instead of the original sum quoted by the tenderer. Any rounding off of totals in various sections of Schedule of Works/Items or in General Summary, by the tenderer, shall be ignored.
- (f) In case of lumpsum contracts based on Bills of Quantities (quantities not shown as provisional). should any error in quantities or any omissions of items be discovered, the cumulative effect of which varies the Contract sum by more than 5% or Rs. 20,000/-, whichever is less, then the errors shall be rectified and the rectification dealt with as for deviations/variations under Conditions 12 & 13 hereof, and the value thereof shall be added or deducted from the Contract Sum, as the case may be; provided that there shall be no rectification of any errors, omissions, or wrong estimates in the prices inserted by the Contractor in the Bills of Quantities.

Security Deposit/Retention Money

11. (a) The Contractor shall permit Government at the time of making any payment to him for work done under the Contract to deduct such sums as will along with the amount of the earnest money already deposited amount to 10% on the first Rs. 1 lakh plus 7½% on the next Rs. 1 lakh and 5% on the balance of the gross amount of bill till the sums so deducted amount to the figure shown in 11(c) of Schedule F, unless he has already furnished to Government a lumpsum security as mentioned in Schedule F and is exempted from depositing security in individual cases or has deposited the amount of the security mentioned in 11(c) of Schedule F in cash or in the form of Government Securities or Fixed Deposit Receipts or Guarantee Bonds acceptable to Government.

Provided that, if at the time of payment of the final bill, the deductions so made together with the earnest money already deposited, fall short of the security deposit/retention money mentioned in 11(c) of Schedule F, the recovery of the balance amount of security deposit/retention money shall be deemed to have been waived.

(b) In case a Fixed Deposit Receipt of any bank is furnished by the Contractor to Government as part of the security deposit/retention money and the bank goes into liquidation or for any other reason is unable to make payment against the said Fixed Deposit Receipt, the loss caused thereby shall be borne by the Contractor and the Contractor shall forthwith or on demand furnish additional security to Government to make good the deficit.

(c) All compensation or other sums of money payable by the Contractor under the terms of this Contract or any other Contract or any other account whatsoever may be deducted from or paid by the sale of a sufficient part of his security deposit/retention money or from the interest arising therefrom or from any sums which may be due or may become due to the Contractor by Government on any account whatsoever and in the event of his security deposit/retention money being reduced by reason of any such deduction or sale as aforesaid, the Contractor shall within fourteen days of receipt of notice of demand from the Engineer-in-Charge make good the deficit.

Government papers tendered as security shall be taken at 5% (five percent) below the market price or at their face value, whichever is less.

(d) *Refund of security deposit/retention money* : One half

of the security deposit/retention money shall be refunded to the Contractor on the Engineer-in-Charge certifying in writing that the work has been completed as per Condition 33 hereof unless the Engineer-in-Charge is of the opinion that in order to safeguard against defects and pending claims against the Contractor it is necessary to retain more than 50% of the security deposit/retention money.

On expiry of the Defects Liability Period (referred to in Condition 35 hereof) or on payment of the amount of the Final Bill payable in accordance with Condition 55, whichever is later, the Engineer-in-Charge shall, on demand from the Contractor, refund to him the remaining portion of the security deposit/retention money provided the Engineer-in-Charge is satisfied that there is no demand outstanding against the Contractor.

Deviations/Variations—Extent & Pricing

12. The Engineer-in-Charge shall have power (i) to make alterations in, omissions from, additions to, or substitutions for, the original specifications, drawings, designs and instructions that may appear to him to be necessary or advisable during the progress of the work, and (ii) to omit a part of the Works in case of non-availability of a portion of the Site or for any other reason, and the Contractor shall be bound to carry out the Works in accordance with any instructions given to him in writing signed by the Engineer-in-Charge and such alterations, omissions, additions or substitution shall form part of the Contract as if originally provided therein and any altered, additional or substituted work which the Contractor may be directed to do in the manner above specified as part of the Works, shall be carried out by the Contractor on the same conditions in all respects including price on which he agreed to do the main work except as hereinafter provided. No work which radically changes the original nature of the Contract shall be ordered by the Engineer-in-Charge as a deviation and in the event of any deviation being ordered which in the opinion of the Contractor changes the original nature of the Contract, he shall nevertheless carry it out and the disagreement as to the nature of the work and the rate to be paid therefor shall be resolved in accordance with Condition 60.

The time for completion of the Works shall, in the event of any deviations resulting in additional cost over the Contract Sum being ordered, be extended as follows if requested by the Contractor :

(a) in the proportion which the cost of the altered,
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additional or substituted work, bears to the original Contract Sum; plus

- (b) 25% of the time calculated in (a) above or such further additional time as may be considered reasonable by the Engineer-in-Charge.

Rates for such additional, altered or substituted work shall be determined by the Engineer-in-Charge as follows :

- (i) If the rate for additional, altered or substituted item of work is specified in the Schedule of Works/Items/Quantities, the Contractor shall carry out the additional, altered or substituted item at the same rate. In case Bills of Quantities form part of the Contract, the applicable rate shall be taken from the Bills of Quantities of the building/item of work in which the deviation is involved failing that at the lowest applicable rate for Work of similar nature in other Bills of Quantities.
- (ii) If the rate for any altered, additional or substituted item of work is not specified in the Schedule of Works/Items/Quantities, the rate for that item shall be derived from the rate for the nearest similar item specified therein. In case Bills of Quantities form part of the Contract, the rate shall be derived from the nearest similar item in the Bills of Quantities of the building/item of Works in which the deviation is involved, failing that from the lowest of the nearest similar items in other Bills of Quantities.
- *(iii) If the rate for any additional, altered or substituted item of work cannot be determined in the manner specified in sub-paras (i) and (ii) above, then such item of Work shall be carried out at the rate entered in Schedule of Rates plus/minus the percentage by which the tendered amount of the Works actually awarded is higher or lower than the estimated amount of the Works actually awarded.

(Applicable to Measurement Contracts based on item rates or Lump-sum Contracts based on Bills of Quantities or Percentage Rate Contracts).

- or*
*(iii) If the rate for any additional, altered or substituted item of Work cannot be determined in the manner

specified in sub-paras (i) and (ii) above, then such item of Work shall be carried out at the rate entered in the Schedule of Rates plus/minus the percentage by which the tendered amount of the Works, is higher or lower than the pre-priced amount shown in the Schedule of Works.

(Applicable to Lump-sum Contracts based on Prepriced Schedule of Works).

or

- *(iii)* If the rate for any additional, altered or substituted item of Work cannot be determined in the manner specified in sub-paras (i) and (ii) above, then such item of Work shall be carried out at the rate entered in the Schedule of Rates plus/minus the percentage mentioned in Schedule F.

(Applicable to Lump-sum Contracts based on Drawings and Specifications).

- (iv) If the rate for any altered, additional or substituted item of work cannot be determined in the manner specified in sub-paras (i) to (iii) above, then the rate for such item of work shall be derived from the Schedule of Rates specified in sub-para (iii) above plus/minus the percentage mentioned in that sub-para. Provided always that if rate(s) for part(s) of an item(s) is/are not specified in the Schedule of Rates the rate(s) for such part(s) shall be determined by the Engineer-in-Charge on the basis of the purchase price as supported by vouchers unless the Engineer-in-Charge finds the purchase price unreasonable. In the latter event the price shall be determined on the basis of market rate(s) prevailing during the fortnight following the date of the order.
- (v) If the rate for any altered, additional or substituted item of work cannot be determined in the manner specified in sub-paras (i) to (iv) above, the Contractor shall, within 14 days of the date of receipt of the order to carry out the said work, inform the Engineer-in-Charge of the rate which he proposes to claim for such item of work, supported by analysis of the rate claimed,

*Delete whichever is inapplicable.

and the Engineer-in-Charge shall, within three months thereafter, after giving due consideration to the rate claimed by the Contractor, determine the rate on the basis of market rate(s). In the event of the Contractor failing to inform the Engineer-in-Charge within the stipulated period of time, the rate which he proposes to claim, the rate for such item shall be determined by the Engineer-in-Charge on the basis of market rate(s).

- (vi) (A) Except in case of items of work below ground surface as it exists at the time of commencement of work [sec (B) below], quantities of which may change due to site Conditions, provisions contained in sub-conditions (i) to (v) above shall not apply to
 - (a) that value of any contract item, substituted item or contract-cum-substituted item as is in excess of the original value of the item plus the percentage mentioned in Schedule F or Rs. 500, whichever is higher.
(Applicable to Lump-sum Contracts, Measurement Contracts based on item rates and Percentage Rate Contracts).
 - (b) that value of deviations ordered on any individual trade item included in the contract as is in excess of the percentage mentioned in Schedule F or Rs. 1000, whichever is higher.
(Applicable to Lump-sum Contracts only).
 - (c) the value of all items not already included in the Contract, as is in excess of the percentage mentioned in Schedule F of the contract or Rs. 1000, whichever is higher.
- (B) In case of items of work below ground surface as it exists at the time of commencement of work, quantities of which may change due to site conditions, provisions contained in sub-conditions (i) to (v) above shall not apply to
 - (a) items of any individual trade which exceed by more than the percentage mentioned in Schedule F of the value of that trade included in the Contract as a whole, unless the Contractor and the Engineer-in-Charge agree to a higher percentage for any particular item.

- (b) the value of any item not included in the Contract in excess of 1% of the contract sum or Rs. 1000, whichever is higher.

NOTE : Individual trade means the sub-heads into which the Schedule of Works/Quantities/Items as provided in the Contract has been divided and in the absence of any such provision in the Contract, the sub-heads as given in Schedule of Rates.

13. In the case of contract items, substituted items, contract-*cum*-substituted items or additional items which exceed the limits laid down in sub-para (vi) of Condition 12 above, the Contractor may, within fourteen days of receipt of order, claim revision of the rates, supported by proper analysis, for the work in excess of the above-mentioned limits, provided that if the rates so claimed are in excess of the rates specified in the Schedule of Works/Items/Quantities or Bills of Quantities or of those derived in accordance with the provisions of sub-para (i) to (iv) of Condition 12 by more than five per cent, the Engineer-in-Charge shall, within three months of receipt of the claim supported by analysis, after giving consideration to the analyses of the rates submitted by the Contractor, determine the rates on the basis of market rates and if the rates so determined exceed the rates specified in the Schedule of Works/Items/Quantities or Bills of Quantities or those derived in accordance with the provisions of sub-para (i) to (iv) of Condition 12 by more than five per cent, the Contractor shall be paid in accordance with the rates so determined. In the event of the Contractor failing to claim revision of rates within the stipulated period, or if the rates determined by the Engineer-in-Charge within a period of three months of receipt of the claim supported by analysis are within five per cent of the rates specified in the Schedule of Works/Items/Quantities or Bills of Quantities or of those determined in accordance with the provisions of sub-para (i) to (iv) of Condition 12, the Engineer-in-Charge shall make payment at the rates as specified in the Schedule of Works/Items/Quantities or Bills of Quantities or those already determined under sub-para (i) to (iv) of Condition 12, for the quantities in excess of the limits laid down in sub-para (vi) of Condition 12.

The provisions of the preceding paragraph shall also apply to the decrease in the rates of items, for the work in excess of the limits laid down in sub-para (vi) of Condition 12, provided that such decrease is more than five per cent of the rates specified in the Schedule of Works/Items/Quantities or Bills of Quantities

or of those derived in accordance with the provisions or sub-para (i) to (iv) of Condition 12, and the Engineer-in-Charge may after giving notice to the Contractor within two months of receipt of order by the Contractor and after taking into consideration any reply received from him within fourteen days of receipt of the notice revise the rates for the work in question within two months of expiry of the said period of 14 days having regard to the market rates.

Suspension of Works

14. (a) The Contractor shall, on receipt of the order in writing of the Engineer-in-Charge, suspend the progress of the Works or any part thereof for such time and in such manner as the Engineer-in-Charge may consider necessary for any of the following reasons :

- (i) on account of any default on part of the Contractor;
or
- (ii) for proper execution of the Works or part thereof for reasons other than the default of the Contractor; or
- (iii) for safety of the Works or part thereof.

The Contractor shall, during such suspension, properly protect and secure the Works to the extent necessary and carry out the instructions given in that behalf by the Engineer-in-Charge.

(b) If the suspension is ordered for reasons (ii) and (iii) in sub-para (a) above :

- (i) the Contractor shall be entitled to an extension of time equal to the period of every such suspension *PLUS* 25%, for completion of the item or group of items of work for which a separate period of completion is specified in the Contract and of which the suspended work forms a part, and
- (ii) if the total period of all such suspensions in respect of an item or group of items of work for which a separate period of completion is specified in the Contract exceeds thirty days, the Contractor shall, in addition, be entitled to compensation, as the Engineer-in-Charge may consider reasonable, in respect of salaries and/or wages paid by the Contractor to his employees and labour at Site, remaining idle during the period of suspension, adding thereto the percentage mentioned.

in Schedule F to cover indirect expenses of the Contractor.

(c) If the Works or part thereof is suspended on the orders of the Engineer-in-Charge for more than three months at a time, except when suspension is ordered for reason (i) in sub-para (a) above, the Contractor may after receipt of such order serve a written notice on the Engineer-in-Charge requiring permission within fifteen days from receipt by the Engineer-in-Charge of the said notice, to proceed with the Works or part thereof in regard to which progress has been suspended and if such permission is not granted within that time, the Contractor, if he intends to treat the suspension, where it affects only a part of the Works as an omission of such part by Government under Conditions 12 & 13 or where it affects the whole of the Works, as an abandonment of the Works by Government, shall within ten days of expiry of such period of 15 days give notice in writing of his intention to the Engineer-in-Charge. In the event of the Contractor treating the suspension as an abandonment of the Contract by Government, he shall have no claim to payment of any compensation on account of any profit or advantage which he may have derived from the execution of the work in full but which he could not derive in consequence of the abandonment. He shall, however, be entitled to compensation, as the Engineer-in-Charge may consider reasonable, in respect of salaries and/or wages paid by him to his employees and labour at Site, remaining idle in consequence and of materials collected which could not be utilised on the Works, adding to the total thereof the percentage mentioned in Schedule F to cover indirect expenses of the Contractor.

Time and Extension for Delay

15. The time allowed for execution of the Works as specified in the Contract documents or the extended time in accordance with these Conditions shall be of the essence of the Contract. The execution of the Works shall commence from the 15th day after the date on which the Engineer-in-Charge issues written orders to commence the work or from the date of handing over of the Site whichever is later. If the Contractor commits default in commencing the execution of the work as aforesaid, Government shall without prejudice to any other right or remedy be at liberty to forfeit the earnest money absolutely.

As soon as possible after the Contract is concluded, the Engineer-in-Charge and the Contractor shall agree upon a Time and Progress Chart. The Chart shall be prepared in direct

relation to the time stated in the Contract documents for completion of the items or groups of items of work and/or the Contract as a whole. It shall indicate the forecast of the dates of commencement and completion of various trades or sections of the work and may be amended as necessary by agreement between the Engineer-in-Charge and the Contractor within the limitations of time imposed in the Contract documents.

If the Works be delayed by

- (a) *force majeure*, or
- (b) abnormally bad weather, or
- (c) serious loss or damage by fire, or
- (d) civil commotion, local combination of workmen, strike or lockout, affecting any of the trades employed on the work, or
- (e) delay on the part of nominated sub-contractors or nominated suppliers which the Contractor has, in the opinion of the Engineer-in-Charge, taken all practicable steps to avoid or reduce, or
- (f) delay on the part of other contractors or tradesmen engaged by Government in executing work not forming part of the Contract, or
- (g) non-availability of stores which are the responsibility of Government to supply, or
- (h) non-availability or break-down of Tools and Plant to be supplied or supplied by Government, or
- (i) any other cause which, in the absolute discretion of the authority mentioned in Schedule F, is beyond the Contractor's control;

then upon the happening of any such event causing delay, the Contractor shall immediately give notice thereof in writing to the Engineer-in-Charge but shall nevertheless use constantly his best endeavours to prevent or make good the delay and shall do all that may be reasonably required to the satisfaction of the Engineer-in-Charge to proceed with the Works.

Request for extension of time, to be eligible for consideration, shall be made by the Contractor in writing within fourteen days of the happening of the event causing delay. The Contractor may also, if practicable, indicate in such a request the period for which extension is desired.

In any such case the authority mentioned in Schedule F may give a fair and reasonable extension of time for completion of individual items or groups of items of work for which separate periods of completion are specified in the Contract or the Contract as a whole. Such extension shall be communicated to the Contractor by the Engineer-in-Charge in writing, within 3 months of the date of receipt of such request by the Engineer-in-Charge.

Plant and Equipment

16. The Contractor shall arrange at his own expense all tools, plant and equipment (hereinafter referred to as T & P) required for execution of the work. In case the Contractor so requires, some or all items of T & P listed in Schedule C will be given to him on hire by Government at the rates shown in the Schedule, if he has indicated his requirements at the time of submitting his tender. Soon after acceptance of the tender, the Contractor shall agree in writing with the Engineer-in-Charge on a phased programme of his requirements with regard to issue of Government T & P. Government T & P hired to the Contractor shall be conveyed by him at his expense from the place of issue to the Site and back.

If the Contractor requires any item of T & P on hire from Government over and above the requirements indicated by him at the time of submitting his tender, the Government will, if such item is available, hire it to the Contractor at a rate to be agreed upon between him and the Engineer-in-Charge.

The period of hire will be reckoned from the commencement of the day of issue upto the end of the day of return (including all recognised holidays) irrespective of the actual hour of issue and return. The Contractor will be exempt from levy of any charges for the number of days he is called upon in writing by the Engineer-in-Charge to suspend execution of the work, provided Government T & P in question has, in fact, remained idle with the Contractor because of the suspension.

The hire charges shall be reckoned as under :

- (a) the first eight working hours (excluding a break of one hour) 1 working day.
- (b) every working hour or part thereof in excess of 8 working hours, at the rate of 1/8th of the hire charges for a working day; provided however if the Govt. has paid more than at the rate of 1/8th of the wages of the crew

for overtime under the Minimum Wages Act or any other law for the time being in force, the excess over 1/8th of the wages shall also be charged to the Contractor.

If at any time Government T & P has not been worked at all during a day except for a break-down, or has been worked for less than eight hours during a day, the Contractor shall be charged for one working day.

If any item of Government T & P has stopped working on account of a break-down before it has worked for four hours in a day, the Contractor will be charged for half a working day. If the item has stopped working after it has worked for more than four hours but less than eight hours, the Contractor will be charged for a full working day.

The hire charges shown in the Schedule cover charges of crew, stores for maintenance and cleaning purposes and fuel needed to start a machine at the time of issue. All other charges such as cost of fuel for running a machine, engine oil, kerosene oil, etc., for working Government T & P, and all unskilled labour and water required for servicing/wash out shall be borne by the Contractor. The Contractor shall permit the Engineer-in-Charge to carry out periodical maintenance of Government T & P in accordance with the provision therefor in the aforesaid Schedule, and there will be no deduction in hire charges for the period spent on such maintenance.

The Contractor shall be responsible for care and custody of Government T & P [including employment of chowkidar (s)] during the period Government T & P remain with him and any damage (fair wear and tear excepted) to any of the equipment (except for Excepted Risks provided always the Contractor has taken precautions necessary to protect it from such risks) shall be made good at the Contractor's expense to the satisfaction of the Engineer-in-Charge unless such damage is caused because of negligence of crew provided by Government.

Government give no guarantee in respect of output of Government T & P hired to the Contractor and no reduction in rates or any compensation shall be allowed on the ground that outturn or performance of Govt. T & P was not to the Contractor's expectations.

Government T & P hired to the Contractor shall be returned at the place of issue (unless otherwise directed) by the Contractor to the Engineer-in-Charge on completion of the work or section of the work or earlier on termination of the hire by Govt. as hereinafter provided on a written notice by the Engineer-in-Charge. Government shall be entitled to terminate the hire on two days' notice without assigning any reason whatsoever and the Contractor shall have no claim to any payment of compensation or otherwise whatsoever on account of termination of hire of Govt. T & P by Government. In such an event, however, a reasonable extension of time shall be given by the Engineer-in-Charge.

In the event of the Contractor not requiring any item of Government T & P at any time after taking delivery at the place of issue, he may return it to the Engineer-in-Charge after a two days' written notice or at any time without notice if he agrees to pay hire charges for two additional days without in any way affecting the right of the Engineer-in-Charge to use the Govt. T & P during the said period of two days as he likes including hiring out to a third party.

If the Contractor does not desire to hire any item of Govt. T & P which he had indicated in his requirements, he shall give a written notice thereof to the Engineer-in-Charge at least three days prior to the date of requirement of such item as indicated in the agreed phased programme. If he does not give such notice or fails, without the written consent of the Engineer-in-Charge, to demand issue of any item of Govt. T & P, as aforesaid, on the date indicated in the agreed phased programme, he shall be deemed to have hired the item from the date of requirement of the item as mentioned in the phased programme and shall be liable to pay hire charges as mentioned above from such date.

A Log Book for recording hours during which every item of Govt. T & P issued to the Contractor has worked each day shall be maintained by the member of the crew incharge thereof or any representative of the Engineer-in-Charge appointed in that behalf and shall be daily attested by the Contractor or his authorised agent. In case the Contractor contests correctness of any entry and/or fails to sign the Log Book the decision of the Engineer-in-Charge shall be final and binding on him. Hire charges shall be calculated in accordance with the entries in the Log Book.

*Materials*17. (a) *Materials to be provided by the Contractor*

The Contractor shall, at his own expense, provide all materials required for the Works other than those which are to be supplied by Government.

All materials to be provided by the Contractor shall be in conformity with the specifications laid down in the contract and the Contractor shall, if requested by the Engineer-in-Charge, furnish proof, to the satisfaction of the Engineer-in-Charge, that the materials so comply.

The Contractor shall, at his own expense and without delay, supply to the Engineer-in-Charge samples of materials proposed to be used in the Works. The Engineer-in-Charge shall within seven days of supply of samples or within such further period as he may require and intimate to the Contractor in writing, inform the Contractor whether samples are approved by him or not. If samples are not approved, the Contractor shall forthwith arrange to supply to the Engineer-in-Charge for his approval fresh samples complying with the specifications laid down in the Contract.

The Engineer-in-Charge shall have full powers to require removal of any or all of the materials brought to Site by the Contractor which are not in accordance with the Contract specifications or do not conform in character or quality to samples approved by him. In case of default on the part of the Contractor in removing rejected materials, the Engineer-in-Charge shall be at liberty to have them removed by other means. The Engineer-in-Charge shall have full powers to require other proper materials to be substituted for rejected materials and in the event of the Contractor refusing to comply, he may cause the same to be supplied by other means. All costs, which may attend upon such removal and/or substitution shall be borne by the Contractor.

The Contractor shall indemnify Government or any agent, servant or employee of Government against any action, claim or proceeding relating to infringement or use of any patent or design or any alleged patent or design rights and shall pay any royalties or other charges which may be payable in respect of any article or material or part thereof included in the Contract. In the event of any claims being made or action being brought against Government or any agent, servant or employee of Govt. in respect of any such matters as aforesaid, the Contractor shall

immediately be notified thereof. Provided that such indemnity shall not apply when such infringement has taken place in complying with the specific directions issued by Government but the Contractor shall pay any royalties or other charges payable in respect of any such use, the amount so paid being reimbursed to the Contractor only if the use was the result of any drawings and/or specifications issued after submission of the tender.

Subject as hereinafter provided in Condition 56/56-A all charges on account of octroi, terminal or sales tax and other duties on materials obtained for the Works from any source (excluding materials supplied by Government) shall be borne by the Contractor.

The Engineer-in-Charge shall be entitled to have tests carried out as specified in the Contract for any materials supplied by the Contractor other than those for which, as stated above, satisfactory proof has already been furnished, at the cost of the Contractor and the Contractor shall provide at his expense all facilities which the Engineer-in-Charge may require for the purpose. If no tests are specified in the Contract, and such tests are required by the Engineer-in-Charge, the Contractor shall provide all facilities required for the purpose and the charges for these tests shall be borne by the Contractor only if the tests disclose that the said materials are not in accordance with the provision of the Contract. The cost of materials consumed in tests shall be borne by the Contractor in all cases except when otherwise provided.

(b) Materials to be supplied by Government

Materials which Government are prepared to supply are shown in schedule B which also stipulates quantum, place of issue and rate(s) to be charged in respect thereof. If the Contractor wishes to exercise an option to supply some or all of these materials himself, he shall stipulate accordingly when submitting the tender and in that event the remaining materials, if any, shall be supplied by Government as aforesaid. Soon after acceptance of the tender the Contractor shall agree in writing with the Engineer-in-Charge on a phased programme of his requirements with regard to delivery of materials.

If after acceptance of the tender the Contractor desires Government to supply any further materials out of those mentioned in the Schedule and/or any other materials, such materials may be supplied by Government, if available, at rates to be agreed upon between the parties.

For the materials listed in Schedule B which the Contractor does not stipulate to supply himself but requires Govt. to supply, he shall give a reasonable notice in writing of his requirements to the Engineer-in-Charge in accordance with the agreed phased programme. Such materials shall be supplied for the purposes of the Contract only and the value of materials so supplied at the rates specified in the aforesaid Schedule shall be set off or deducted, as and when materials are consumed in items of work for which payment is being made to the Contractor, from any sums then due or which may thereafter become due to the Contractor, under the Contract. At the time of submission of bills the Contractor shall certify that balance of materials supplied is available at site.

The Contractor shall bear the cost of loading, transporting to Site, unloading, storing under cover as required, assembling and joining the several parts together as necessary and incorporating or fixing materials in the Works including all preparatory work of whatever description as may be required, and of closing, preparing, loading and returning empty cases or containers to the place of issue.

All materials issued to the Contractor by Government for incorporation or fixing in the Works (including preparatory work) shall, on completion or on fore closure of the Works, be returned by the Contractor at his expense, at the place of issue, after making due allowance for actual consumption, reasonable wear and tear and/or waste. If the Contractor is required to deliver such materials at a place other than the place of issue, he shall do so and the transportation charges from the Site to such place, less the transportation charges which would have been incurred by the Contractor had such materials been delivered at the place of issue, shall be borne by Government.

Surplus materials returned by the Contractor shall be credited to him by the Engineer-in-Charge at rates not exceeding these at which these were originally issued to him after taking into consideration any deterioration or damage which may have been caused to the said materials whilst in the custody of the Contractor.

If on completion of Works the Contractor fails to return surplus materials out of those supplied by Government, then in addition to any other liability which the Contractor would incur, the Engineer-in-Charge may, by a written notice to the Contractor, require him to pay within a fortnight of receipt of

the notice, for such unreturned surplus materials at double the issue rates.

If cement is to be supplied by Government, every cement godown shall be provided with two locks on each door. The key of one lock at each door shall remain with the Engineer-in-Charge or his representative and that of the other lock with the Contractor's authorised agent at Site of Works so that cement is removed from the godown only according to daily requirements with the knowledge of both the parties.

General

Materials required for the Works, whether brought by the Contractor or supplied by Government, shall be stored by the Contractor only at places approved by the Engineer-in-Charge. Storage and safe custody of materials shall be the responsibility of the Contractor.

Government officials concerned with the Contract shall be entitled at any time to inspect and examine any materials intended to be used in or on the Works, either on the Site or at factory or workshop or other place(s) where such materials are assembled fabricated or manufactured or at any place(s) where these are lying or from which these are being obtained and the Contractor shall give such facilities as may be required for such inspection and examination.

All materials brought to the Site shall become and remain the property of Government and shall not be removed off the Site without the prior written approval of the Engineer-in-Charge. But whenever the Works are finally completed and advance, if any, in respect of any such material is fully recovered, the Contractor shall at his own expense forthwith remove from the Site all surplus materials originally supplied by him and upon such removal, the same shall revert in and become the property of the Contractor.

Labour

18. The Contractor shall employ labour in sufficient numbers either directly or through sub-contractors to maintain the required rate of progress and of quality to ensure workmanship of the degree specified in the Contract and to the satisfaction of the Engineer-in-Charge. The Contractor shall not employ in connection with the Works any person who has not completed his fifteenth year of age.

The Contractor shall furnish to the Engineer-in-Charge at the intervals mentioned in Schedule F a distribution return of

the number and description by trades of the work people employed on the Works. The Contractor shall also submit on the 4th and 19th of every month to the Engineer-in-Charge a true statement showing in respect of the second half of the preceding month and the first half of the current month (i) the accidents that occurred during the said fortnight showing the circumstances under which they happened and the extent of damage and injury caused by them and (ii) the number of female workers who have been allowed Maternity Benefit as provided in the Maternity Benefit Act, 1961 or Rules made thereunder and the amount paid to them.

The Contractor shall pay to labour employed by him either directly or through sub-contractors wages not less than fair wages as defined in the Contractor's Labour Regulations at Appendix I.

The Contractor shall in respect of labour employed by him either directly or through sub-contractors comply with or cause to be complied with the Contractor's Labour Regulations at Appendix I in regard to all matters provided therein.

The Contractor shall comply with the provisions of the Payment of Wages Act, 1936, Minimum Wages Act, 1948, Employers, Liability Act, 1938, Workmen's Compensation Act, 1923 Industrial Disputes Act, 1947 and the Maternity Benefit Act, 1961, or any modifications thereof or any other law relating thereto and rules made thereunder from time to time.

The Engineer-in-Charge shall on a report having been made by an Inspecting Officer as defined in the Contractor's Labour Regulations have the power to deduct from the moneys due to the Contractor any sum required or estimated to be required for making good the loss suffered by a worker or workers by reason of non-fulfilment of the Conditions of the Contract for the benefit of workers, non-payment of wages or of deductions made from his or their wages which are not justified by the terms of the Contract or non-observance of the said Contractor's Labour Regulations.

The Contractor shall indemnify Government against any payments to be made under and for the observance of the Regulations aforesaid without prejudice to his right to claim indemnity from his sub-contractors.

In the event of the Contractor committing a default or breach of any of the provisions of the aforesaid Contractor's

Labour Regulations, as amended from time to time, or furnishing any information or submitting or filling any Form/Register/Slip under the provisions of these Regulations which is materially incorrect then on the report of the Inspecting Officers as defined in Appendix I, the Contractor shall without prejudice to any other liability pay to Government a sum not exceeding Rs. 50.00 as liquidated damages for every default, breach or furnishing, making, submitting, filling materially incorrect statement as may be fixed by the Engineer-in-Charge and in the event of the Contractor's default continuing in this respect, the liquidated damages may be enhanced to Rs. 50.00 per day for each day of default subject to a maximum of 1 percent of the estimated cost of the Works put to tender. The Engineer-in-Charge shall deduct such amount from bills or security deposit of the Contractor and credit the same to the Welfare Fund constituted under the Regulations. The decision of the Engineer-in-Charge in this respect shall be final and binding.

Model Rules for Labour Welfare

The Contractor shall at his own expense comply with or cause to be complied with Model Rules for Labour Welfare as contained in Appendix II to these Conditions or rules framed by Government from time to time for the protection of health and for making sanitary arrangements for workers employed directly or indirectly on the Works. In case the Contractor fails to make arrangements as aforesaid, the Engineer-in-Charge shall be entitled to do so and recover the cost thereof from the Contractor.

Safety Code

The Contractor shall at his own expense arrange for the safety provisions indicated in Appendix III or as required by the Engineer-in-Charge, in respect of all labour directly or indirectly employed for performance of the Works and shall provide all facilities in connection therewith. In case the Contractor fails to make arrangements and provide necessary facilities as aforesaid, the Engineer-in-Charge shall be entitled to do so and recover the cost thereof from the Contractor.

Failure to comply with Model Rules for Labour Welfare, Safety Code or the provisions relating to report on accidents and to grant of maternity benefits to female workers shall make the Contractor liable to pay to Government as liquidated damages an amount not exceeding Rs. 50.00 for each default or materially incorrect statement. The decision of the Engineer-

in-Charge in such matters based on reports from the Inspecting Officers as defined in Appendix I or from Assistant Engineers shall be final and binding and deductions for recovery of such liquidated damages may be made from any amount payable to the Contractor.

Admission to Site

19. The Contractor shall not be permitted to enter on (other than for inspection purposes) or take possession of the Site until instructed to do so by the Engineer-in-Charge in writing. The portions of the Site to be occupied by the Contractor shall be defined and/or marked on the site plan, failing which these shall be indicated by the Engineer-in-Charge, and the Contractor shall on no account be allowed to extend his operations beyond these areas. In respect of land allotted for the purpose of accommodation of labour, erection of temporary workshops, stores, etc. storage of materials and the like, the Contractor shall pay a nominal compensation of Re. 1.00 per year or part of a year for use and occupation, in respect of each and every separate area of land allotted to him.

The Contractor shall provide, if necessary or if required on the Site, all temporary access thereto and shall alter, adapt and maintain the same as required from time to time and shall take up and clear them away as and when no longer required and make good all damage done to the Site.

Setting out the Works

20. The Engineer-in-Charge shall supply dimensioned drawings, levels and other information necessary to enable the Contractor to set out the Works. The Contractor shall provide all setting out apparatus required and set out the Works and be responsible for the accuracy of the same. He shall amend at his own cost and to the satisfaction of the Engineer-in-Charge any error found at any stage which may arise through inaccurate setting out unless such error is based on incorrect data furnished in writing by the Engineer-in-Charge, in which case the cost of rectification shall be borne by Government. The Contractor shall protect and preserve all bench marks used in setting out the Works till end of the Defects Liability Period unless the Engineer-in-Charge directs their earlier removal.

Site Drainage

21. All water which may accumulate on the Site during the progress of the Works, or in trenches and excavations, from

other than the Excepted Risks shall be removed from the Site to the satisfaction of the Engineer-in-Charge and at the contractor's expense.

Nuisance

22. The Contractor shall not at any time do, cause or permit any nuisance on the Site or do anything which shall cause unnecessary disturbance or inconvenience to owners, tenants or occupiers of other properties near the Site and to the public generally.

Materials obtained from excavation

23. Materials of any kind obtained from excavation on the Site shall remain the property of Government and shall be disposed of as the Engineer-in-Charge may direct.

Treasure Trove, Fossils, etc.

24. All fossils, coins, articles of value or antiquity and structures and other remains or things of geological or archaeological interest discovered on the Site shall be the absolute property of Government and the Contractor shall take reasonable precautions to prevent his workmen or any other person from removing or damaging any such article or thing and shall immediately upon discovery thereof and before removal acquaint the Engineer-in-Charge with such discovery and carry out the Engineer-in-Charge's directions as to the disposal of the same at the expense of Government.

Protection of Trees

25. Trees designated by the Engineer-in-Charge shall be protected from damage during the course of the Works and earth level within 1 meter of each such tree shall not be changed. Where necessary, such trees shall be protected with temporary fencing.

Watching and Lighting

26. The Contractor shall provide and maintain at his own expense all lights, guards, fencing and watching when and where necessary or required by the Engineer-in-Charge for the protection of the Works or for the safety and convenience of those employed on the Works or the public.

Contractor's Supervision

27. The Contractor shall either himself supervise the exe-

cutation of the Works or shall appoint a competent agent approved by the Engineer-in-Charge to act in his stead. If in the opinion of the Engineer-in-Charge the Contractor has himself not sufficient knowledge and experience to be capable of receiving instructions or cannot give his full attention to the Works, the Contractor shall, at his own expense, employ as his accredited agent an engineer approved by the Engineer-in-Charge. Orders given to the Contractor's agent shall be considered to have the same force as if these had been given to the Contractor himself. If the Contractor fails to appoint a suitable agent as directed by the Engineer-in-Charge, the Engineer-in-Charge shall have full powers to suspend the execution of the Works until such date as a suitable agent is appointed and the Contractor shall be held responsible for the delay so caused to the Works.

Inspection and Approval

28. All works embracing more than one process shall be subject to examination and approval at each stage thereof and the Contractor shall give due notice to the Engineer-in-Charge or his authorised representative when each stage is ready. In default of such notice, the Engineer-in-Charge shall be entitled to appraise the quality and extent thereof.

No work shall be covered up or put out of view without the approval of the Engineer-in-Charge or his authorised representative and the Contractor shall afford full opportunity for examination and measurement of any work which is about to be covered up or put out of view and for examination of foundations before permanent work is placed thereon. The Contractor shall give due notice to the Engineer-in-Charge or his authorised representative whenever any such work or foundation is ready for examination and the Engineer-in-Charge or his 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 of examining such foundations. In the event of the failure of the Contractor to give such notice he shall, if required by the Engineer-in-Charge, uncover such work at the Contractor's expense.

Departmental officers concerned with the Contract shall have powers at any time to inspect and examine any part of the Works and the Contractor shall give such facilities as may be required for such inspection and examination.

Duties and Powers of Engineer-in-Charge's Representative

29. The duties of the Representative of the Engineer-in-Charge, are to watch and supervise the Works and to test and examine any materials to be used or workmanship employed in connection with the Works. He shall have no authority to order any work involving any extra payment by Government nor to make any variation in the Works.

The Engineer-in-Charge may from time to time in writing delegate to his Representative any of the powers and authorities vested in the Engineer-in-Charge and shall furnish to the Contractor a copy of all such written delegation of powers and authorities. Any written instruction or written approval given by the Representative of the Engineer-in-Charge to the Contractor within the terms of such delegation shall bind the Contractor and Government as though it had been given by the Engineer-in-Charge.

Failure of the Representative of the Engineer-in-Charge to disapprove any work or materials shall not prejudice the power of the Engineer-in-Charge thereafter to disapprove such work or materials and to order the pulling down, removal or breaking up thereof.

If the Contractor shall be dis-satisfied with any decision of the Representative of the Engineer-in-Charge he shall be entitled to refer the matter to the Engineer-in-Charge who shall thereupon confirm, reverse or vary such decision.

Removal of Workmen

30. The Contractor shall employ in and about the execution of the Works only such persons as are skilled and experienced in their several trades and the Engineer-in-Charge shall be at liberty to object to and require the Contractor to remove from the Works any person employed by the Contractor in or about the execution of the Works who in the opinion of the Engineer-in-Charge misconducts himself or is incompetent or negligent in the proper performance of his duties and such person shall not be again employed upon the Works without permission of the Engineer-in-Charge.

Uncovering and Making Good

31. The Contractor shall uncover any part of the Works and/or make openings in or through the same as the Engineer-in-Charge may from time to time direct for his verification and shall reinstate and make good such part to the satisfaction of

the Engineer-in-Charge. If any such part has been covered up or put out of view after being approved by the Engineer-in-Charge and is subsequently found on uncovering to be executed in accordance with the Contract, the expenses of uncovering and/or making openings in or through, reinstating and making good the same shall be borne by Government except where uncovering etc. has been ordered by a superior inspecting officer for checking. In any other case all such expenses shall be borne by the Contractor.

Work during Night or on Sundays and Holidays

32. Subject to any provisions to the contrary contained in the Contract, none of the permanent works shall be carried out during night or on Sundays or on authorised holidays without the permission in writing of the Engineer-in-Charge except when the work is unavoidable or absolutely necessary for the safety of life, property or Works in which case the Contractor shall immediately advise the Engineer-in-Charge accordingly.

Completion Certificate

33. (1) As soon as the work is completed, the contractor shall give notice of such completion to the Engineer-in-Charge and within **ten/thirty* days of receipt of such notice the Engineer-in-Charge shall inspect the work and shall furnish the Contractor with a certificate of completion indicating (a) the date of completion, (b) defects to be rectified by the Contractor and/or (c) items for which payment shall be made at reduced rates. When separate periods of completion have been specified for items or groups of items, the Engineer-in-Charge shall issue separate completion certificates for such items or groups of items. No certificate of completion shall be issued, nor shall the work be considered to be complete till the Contractor shall have removed from the premises on which the work has been executed, all scaffolding, sheds and surplus materials, except such as are required for rectification of defects, rubbish and all huts and sanitary arrangements required for his workmen on the Site in connection with the execution of the work, as shall have been erected by the Contractor or the workmen and cleaned all dirt from all parts of building(s) in, upon or about which the work has been executed or of which he may have had possession for the purpose of the execution thereof and cleaned floors, gutters and drains, eased doors and sashes, oiled locks and fastenings labelled keys clearly and handed them over to the Engineer-

*Then days will apply in the case of works at headquarters of the Engineer-in-Charge and thirty days will apply in the case of works at a station other than the headquarters of the Engineer-in-Charge.

in-Charge or his Representative and made the whole premises fit for immediate occupation or use to the satisfaction of the Engineer-in-Charge. If the Contractor shall fail to comply with any of the requirements of this Condition as aforesaid, on or before the date of completion of the Works, the Engineer-in-Charge may at the expense of the Contractor fulfil such requirements and dispose of the scaffolding, surplus materials and rubbish, etc. as he thinks fit and the Contractor shall have no claim in respect of any such scaffolding or surplus materials except for any sum actually realised by the sale thereof less the cost of fulfilling the requirements and any other amount that may be due from the Contractor. If the expense of fulfilling such requirements is more than the amount realised on such disposal as aforesaid, the Contractor shall forthwith on demand pay such excess.

33. (2) If at any time before completion of the entire work, items or groups of items for which separate periods of completion have been specified, have been completed, the Engineer-in-Charge with the consent of the Contractor takes possession of any part or parts of the same [any such part(s) being hereinafter in this Condition referred to as 'the relevant part'], then notwithstanding anything expressed or implied elsewhere in this Contract :—

- (a) Within **ten/thirty* days of the date of completion of such items or groups of items or of possession of the relevant part the Engineer-in-Charge shall issue completion certificate for the relevant part as in Condition 33(1) above provided the Contractor fulfils his obligations under that Condition for the relevant part.
- (b) The Defects Liability Period in respect of such items and the relevant part shall be deemed to have commenced from the certified date of completion of such items or the relevant part as the case may be.
- (c) The Contractor may reduce the value insured under Condition 36/36A by the full value of the completed items or relevant part as estimated by the Engineer-in-Charge for this purpose. This estimate shall be applicable for this purpose only and for no other.
- (d) For the purposes of ascertaining compensation for delay under Condition 34 in respect of any period

**Ten days will apply in the case of works at headquarters of the Engineer-in-Charge and thirty days will apply in the case of works at a station other than the headquarters of the Engineer-in-Charge.*

during which the Works are not complete the relevant part will be deemed to form a separate item or group, with date of completion as given in the Contract or as extended under Condition 15 and actual date of completion as certified by the Engineer-in-Charge under this Condition.

Compensation for delay

34. If the Contractor fails to complete the Works and clear the Site on or before the contract or extended date(s)/period(s) of completion, he shall, without prejudice to any other right or remedy of Government on account of such breach, pay as agreed compensation, amount calculated as stipulated below (or such smaller amount as may be fixed by the authority mentioned in Schedule F) on the Contract value of the whole work or on the Contract value of the item or group of items of work for which a separate period of completion is given in the Contract and of which completion is delayed, for every week that the whole of the work or the item or group of items of work concerned remains uncompleted, even though the Contract as a whole be completed by the Contract or extended date of completion. For this purpose the term 'Contract value' shall be the value at Contract rates of the work as ordered including the estimated value of all deviations ordered :

- | | |
|---|------------------------------------|
| (a) Completion period (as originally-stipulated or as extended) not exceeding 6 months. | @1 per cent per week. |
| (b) completion period (as originally-stipulated or as extended) exceeding 6 months and not exceeding 2 years. | @ $\frac{1}{2}$ per cent per week. |
| (c) completion period (as originally-stipulated or as extended) exceeding 2 years. | @ $\frac{1}{4}$ per cent per week, |

When the delay is not a full week or in multiples of a week but involves a fraction of a week, the compensation payable for that fraction shall be proportional to the number of days involved.

Provided always that the total amount of compensation for delay to be paid under this Condition shall not exceed the under-noted percentage of the Contract value or of the Contract value of the item or group of items of work for which a separate period of completion is given :

- | | |
|---|-------------|
| (a) Completion period (as originally-stipulated or as extended) not exceeding 6 months. | 10 per cent |
|---|-------------|

- | | |
|---|----------------|
| (b) Completion period (as originally-stipulated or as extended) exceeding 6 months and not exceeding 2 years. | 7-1/2 per cent |
| (c) Completion period (as originally-stipulated or as extended) exceeding 2 years. | 5 per cent |

The amount of compensation may be adjusted or set-off against any sum payable to the Contractor under this or any other contract with Government.

Defects Liability Period

35. The Contractor shall be responsible to make good and remedy at his own expense within such period as may be stipulated by the Engineer-in-Charge, any defect which may develop or may be noticed before the expiry of the period mentioned in Schedule F hereto from the certified date of completion and intimation of which has been sent to the Contractor within seven days of the expiry of the said period by a letter sent by hand delivery or by registered post.

Contractor's Liability and Insurance

*36. From commencement to completion of the Works, the Contractor shall take full responsibility for the care thereof and for taking precautions to prevent loss or damage and to minimise loss or damage to the greatest extent possible and shall be liable for any damage or loss that may happen to the Works or any part thereof and all Government T & P from any cause whatsoever (save and except the Excepted Risks) and shall at his own cost repair and make good the same so that at completion, the Works and all Government T & P shall be in good order and condition and in conformity in every respect with the requirements of the Contract and instructions of the Engineer-in-Charge.

In the event of any loss or damage to the Works or any part thereof or to any T & P or to any material or articles at the Site from any of the Excepted Risks the following provisions shall have effect :

- (a) the Contractor shall, as may be directed in writing by the Engineer-in-Charge, remove from the Site any debris and so much of the Works as shall have been damaged, taking to the Government store such Government T & P, articles and/or materials as may be directed;

*To be deleted where Condition 36A is included.

- (b) the Contractor shall, as may be directed in writing by the Engineer-in-Charge, proceed with the erection and completion of the Works under and in accordance with the provisions and Conditions of the Contract; and
- (c) there will be added to the Contract Sum, the net amount due, ascertained in the same manner as for deviations, or as prescribed for payment, in respect of the re-execution of the Works lost or damaged, the replacement of any T & P and of any materials and articles lost or damaged but not incorporated in the Works on the day when the loss or damage occurred and the removal by the Contractor as provided above of Government T & P, articles and/or materials to the Government store and of debris and damaged Works referred to therein and the compensation paid by him, under any law for the time being in force, to any workman employed by him for any injury caused to him, or to the workman's legal successors for loss of the workman's life.

PROVIDED always that the Contractor shall not be entitled to payment under the above provisions in respect of so much loss or damage as has been occasioned by any failure on his part to perform his obligations under the Contract or not taking precautions to prevent loss or damage or minimise the amount of such loss or damage.

Where a Government building or a part thereof is rented by the Contractor he shall insure the entire building if the building or any part thereof is used by him for the purpose of storing or using materials of combustible nature, as to which the decision of the Engineer-in-Charge shall be final and binding.

The Contractor shall indemnify and keep indemnified Government against all losses and claims for injuries or damage to any persons or any property whatsoever which may arise out of or in consequence of the construction and maintenance of the Works and against all claims, demands proceedings, damages, costs, charges and expenses whatsoever in respect of or in relation thereto. **PROVIDED** always that nothing herein contained shall be deemed to render the Contractor liable for or in respect of or to indemnify Government against any compensation or damage caused by the Excepted Risks.

Before commencing execution of the work, the Contractor shall, without in any way limiting his obligations and responsi-

bilities under this Condition, insure against any damage, loss or injury which may occur to any property, (excluding that of Government but including the Government building rented by the Contractor wholly or in a part and any part of which is used by him for storing combustible materials), or to any person (including any employee of Government) by or arising out of carrying out of the Contract.

The Contractor shall at all times indemnify Government against all claims, damages or compensation under the provisions of Payment of Wages Act, 1936, Minimum Wages Act, 1948, Employer's Liability Act, 1938, the Workmen's Compensation Act, 1923, Industrial Disputes Act, 1947 and the Maternity Benefit Act, 1961, or any modifications thereof or any other law relating thereto and rules made thereunder from time to time or as a consequence of any accident or injury to any workman or other persons in or about the Works, whether in the employment of the Contractor or not, save and except where such accident or injury has resulted from any act of Government, their agents or servants, and also against all costs, charges and expenses of any suit, action or proceedings arising out of such accident or injury and against all sum or sums which may with the consent of the Contractor be paid to compromise or compound any claim. Without limiting his obligations and liabilities as above provided, the Contractor shall insure against all claims, damages or compensation payable under the Workmen's Compensation Act, 1923 or any modification thereof or any other law relating thereto.

The aforesaid insurance policy/policies shall provide that they shall not be cancelled till the Engineer-in-Charge has agreed to their cancellation.

The Contractor shall prove to the Engineer-in-Charge from time to time that he has taken out all the insurance policies referred to above and has paid the necessary premiums for keeping the policies alive till expiry of the Defects Liability Period.

The Contractor shall ensure that similar insurance policies are taken out by his sub-contractors (if any) and shall be responsible for any claims or losses to Government resulting from their failure to obtain adequate insurance protection in connection thereof. The contractor shall produce or cause to be produced by his sub-contractors (if any) as the case may be, the relevant policy or policies and premium receipts as and when required by the Engineer-in-Charge.

If the Contractor and/or his sub-contractors (if any) shall fail to effect and keep in force the insurance referred to above or any other insurance which he/they may be required to effect under the terms of the Contract then and in any such case Government may, without being bound to, effect and keep in force any such insurance and pay such premium or premiums as may be necessary for that purpose and from to time deduct the amount so paid by Government from any moneys due or which may become due to the Contractor or recover the same as a debt due from the Contractor.

All insurances to be effected by the Contractor and/or his sub-contractors (if any) shall be taken out only with the insurance company or companies approved by Government and this approval to any particular insurance company shall not be unreasonably withheld.

OR

Contractor's Liability and Insurance (To be incorporated in those contracts only in which execution of work involves considerable risk of loss or damage)

*36-A. From commencement to completion of the Works, the Contractor shall take full responsibility for the care thereof and for taking precautions to prevent loss or damage and to minimise loss or damage to the greatest extent possible and shall be liable for any damage or loss that may happen to the Works or any part thereof and all Government T & P from any cause whatsoever (save and except the Excepted Risks) and shall at his own cost repair and make good the same so that at completion, the Works and all Government T & P shall be in good order and condition and in conformity in every respect with the requirements of the Contract and instructions of the Engineer-in-Charge.

In the event of any loss or damage to the Works or any part thereof or to any T & P or to any material or articles at the Site from any of the Excepted Risks the following provisions shall have effect :

- (a) the Contractor shall, as may be directed in writing by the Engineer-in-Charge, remove from the Site any debris and so much of the Works as shall have been damaged, taking to the Government store such Government T & P, articles and/or materials as may be directed ;

*To be deleted where Condition 36 is included.

- (b) the Contractor shall, as may be directed in writing by the Engineer-in-Charge, proceed with the erection and completion of the Works under and in accordance with the provisions and Conditions of the Contract; and
- (c) there will be added to the Contract Sum, the net amount due, ascertained in the same manner as for deviations, or as prescribed for payment, in respect of the re-execution of the Works lost or damaged, the replacement of any T & P and of any materials and articles lost or damaged but not incorporated in the Works on the day when the loss or damage occurred and the removal by the Contractor as provided above of Government T & P, articles and/or materials to the Government store and of debris and damaged Works referred to therein and the compensation paid by him, under any law for the time being in force, to any workman employed by him for any injury caused to him or to the workman's legal successors for loss of the workman's life.

PROVIDED always that the Contractor shall not be entitled to payment under the above provisions in respect of so much loss or damage as has been occasioned by any failure on his part to perform his obligations under the Contract or not taking precautions to prevent loss or damage or minimise the amount of such loss or damage.

Without limiting the obligations and responsibilities under this Condition the Contractor shall insure the Works (from commencement to completion), the Government T & P hired by the Contractor and all materials at Site, to their full value (as to Government T & P according to the value indicated in Schedule C), against the risk of loss or damage from whatever cause arising other than the Excepted Risks. The said insurance shall be in the joint names of Government and the Contractor and the Contractor shall deposit with the Engineer-in-Charge the said policy or policies. All moneys payable by the insurers under such policy or policies shall be recovered by Government and shall be paid to the Contractor in instalments by the Engineer-in-Charge for the purpose of rebuilding or replacement or repair of the Works and/or goods destroyed or damaged as the case may be. Provided however if the amount payable by the insurers in respect of any claim under such a policy is not in excess of the amount mentioned in Schedule F the same may be recovered.

by the Contractor directly from the insurers and shall be utilised by him for the purpose of rebuilding or replacement or repair of the Works and/or goods destroyed or damaged as the case may be.

If the Contractor has a blanket insurance policy for all his Works and the policy covers all the items to be insured under this Condition, the said policy shall be assigned by the Contractor in favour of Government; provided however if any amount is payable under the policy by the insurers in respect of Works other than the work under this Contract the same may be recovered by the Contractor directly from the insurers.

Where a Government building or a part thereof is rented by the Contractor he shall insure the entire building if the building or any part thereof is used by him for the purpose of storing or using materials of combustible nature, as to which the decision of the Engineer-in-Charge shall be final and binding.

The Contractor shall indemnify and keep indemnified Government against all losses and claims for injuries or damage to any person or any property whatsoever which may arise out of or in consequence of the construction and maintenance of the Works and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of or in relation thereto; Provided always that nothing herein contained shall be deemed to render the Contractor liable for or in respect of or to indemnify Government against any compensation or damage caused by the Excepted Risks.

Before commencing execution of the work, the Contractor shall, without in any way limiting his obligations and responsibilities under this Condition, insure against any damage, loss or injury which may occur to any property (excluding that of Government but including the Government building rented by the Contractor wholly or in part and any part of which is used by him for storing combustible materials), or to any person (including any employee of Government) by or arising out of carrying out of the Contract.

The Contractor shall at all times indemnify Government against all claims, damages or compensation under the provisions of Payment of Wages Act 1936, Minimum Wages Act 1948, Employer's Liability Act 1938, the Workmen's Compensation Act 1923, Industrial Disputes Act 1947, and the Maternity Benefit

Act 1961, or any modifications thereof or any other law relating thereto and rules made thereunder from time to time or as consequence of any accident or injury to any workman or other persons in or about the Works, whether in the employment of the Contractor or not, save and except where such accident or injury has resulted from any act of Government, their agents or servants, and also against all costs, charges and expenses of any suit, action or proceedings arising out of such accident or injury and against all sum or sums which may with the consent of the Contractor be paid to compromise or compound any such claim. Without limiting his obligations and liabilities as above provided, the Contractor shall insure against all claims, damages or compensation payable under the Workmen's Compensation Act, 1923 or any modification thereof or any other law relating thereto.

The aforesaid insurance policy/policies shall provide that they shall not be cancelled till the Engineer-in-Charge has agreed to their cancellation.

The Contractor shall prove to the Engineer-in-Charge from time to time that he has taken out all the insurance policies referred to above and has paid the necessary premiums for keeping the policies alive till expiry of the Defects Liability Period.

The Contractor shall ensure that similar insurance policies are taken out by his sub-contractors (if any) and shall be responsible for any claims or losses to Government resulting from their failure to obtain adequate insurance protection in connection thereof. The Contractor shall produce or cause to be produced by his sub-contractors (if any) as the case may be, the relevant policy or policies and premium receipts as and when required by the Engineer-in-Charge.

If the Contractor and/or his sub-contractors (if any) shall fail to effect and keep in force the insurance referred to above or any other insurance which he/they may be required to effect under the terms of the Contract then and in any such case Government may, without being bound to, effect and keep in force any such insurance and pay such premium or premiums as may be necessary for that purpose and from time to time deduct the amount so paid by Government from any moneys due or which may become due to the Contractor or recover the same as a debt due from the Contractor.

All insurances to be effected by the Contractor and/or his sub-contractors (if any) shall be taken out only with the insurance

company or companies approved by Government and this approval to any particular insurance company shall not be unreasonably withheld.

Facilities to other Contractors

37. The Contractor shall, in accordance with the requirements of the Engineer-in-Charge, afford all reasonable facilities to other contractors engaged contemporaneously on separate contracts in connection with the Works and for departmental labour and labour of any other properly authorised authority or statutory body which may be employed at the Site on execution of any work not included in the Contract or of any contract which Government may enter into in connection with or ancillary to the Works.

Notices to Local Bodies

38. The Contractor shall comply with and give all notices required under any Governmental authority, instrument, rule or order made under any Act of Parliament, State laws or any regulation or bye-laws of any local authority relating to the Works. He shall before making any variation from the contract drawings necessitated by such compliance give to the Engineer-in-Charge a written notice giving reasons for the proposed variation and obtain the Engineer-in-Charge's instructions thereon.

The Contractor shall pay and indemnify Government against any liability in respect of any fees or charges payable under any Act of Parliament, State laws or any Government instrument, rule or order and any regulations or bye-laws of any local authority in respect of the works.

Sub-Contracts

39. The Contractor shall not sublet any portion of the contract without the prior written approval of the Accepting Authority. The Accepting Authority may invite offers for performance by sub-contractors of any work in satisfaction of Provisional or Prime Cost Sums. In the exercise of this option, offers shall be made returnable to the Accepting Authority who shall select the firm to do the work and inform the contractor, who shall be required to conclude a contract with the nominated sub-contractor for execution of the work as specified by the Accepting Authority.

Provided always that the Contractor shall not be required by the Accepting Authority or the Engineer-in-Charge or be

deemed to be under any obligation to employ any nominated sub-contractor who shall decline to enter into a sub-contract with the Contractor containing the following provisions or against whom the Contractor shall make reasonable objection :

- (a) That in respect of the work or materials, the subject of sub-contract, the sub-contractor shall undertake towards the Contractor the like obligations and liabilities as are imposed upon the Contractor by the terms of the Contract and shall indemnify the Contractor from and against the same and from all claims, demands, proceedings, damages, and costs whatsoever arising out of or in connection therewith or arising out of or in connection with any failure to perform such obligations or to fulfil such liabilities; and
- (b) that the sub-contractor shall indemnify the Contractor from and against any negligence by the sub-contractor or his agents, workmen, servants and from and against any misuse by him or them of any plant or temporary works provided by the Contractor for the purposes of the Contract and from all claims as aforesaid.

The Contractor shall be responsible for any sub-contractor who may carry out any work or supply any materials in connection with the Contract, whether such sub-contractor be selected by the Accepting Authority or by the Contractor. The Contractor shall make good any loss or damage suffered by Government by reason of any default, neglect or failure on the part of such sub-contractor in relation to such work or material.

Payments : Before making any advance payments to the Contractor in respect of work done or materials supplied by any nominated sub-contractor, the Engineer-in-Charge shall be entitled to demand from the Contractor reasonable proof that all payments (less retentions) included in previous certificates in respect of the work or materials of such nominated sub-contractor have been made or discharged by the Contractor; in default whereof unless the Contractor shall have informed the Engineer-in-Charge in writing that he has reasonable cause for withholding or refusing to make such payments and produce to the Engineer-in-Charge reasonable proof that he has so informed such nominated sub-contractor in writing, the Engineer-in-Charge shall be entitled to pay to such nominated sub-contractor direct all payments (less retentions) which the Contractor has

failed to make to such nominated sub-contractor and to deduct the amounts so paid from any sums due to the Contractor.

Nothing herein contained shall relieve the Contractor of his liabilities and obligations under the Contract or in any way affect the Contractor's direct responsibilities to Government nor shall it render Government in any way responsible to sub-contractors.

Instructions and Notices

40. Subject as otherwise provided in this Contract, all notices to be given on behalf of Government and all other actions to be taken on its behalf may be given or taken by the Engineer-in-Charge or any officer for the time being entrusted with the functions, duties and powers of the Engineer-in-Charge.

All instructions, notices and communications, etc., under the Contract shall be given in writing and if sent by registered post to the last known place of abode or business of the Contractor shall be deemed to have been served on the date when in the ordinary course of post these would have been delivered to him.

The Contractor or his Agent shall be in attendance at the Site(s) during all working hours and shall superintend the execution of the Works with such additional assistance in each trade as the Engineer-in-Charge may consider necessary. 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 Engineer-in-Charge shall communicate or confirm his instructions to the Contractor in respect of the execution of work in a 'Works Site Order Book' maintained in the office of the Engineer-in-Charge and the Contractor or his authorised representative shall confirm receipt of such instructions by signing the relevant entries in this book. If required by the Contractor he shall be furnished a certified true copy of such instruction(s).

Foreclosure of Contract in Full or in Part due to Abandonment or Reduction in Scope of Work

41. If at any time after acceptance of the tender Government shall decide to abandon or reduce the scope of the Works for any reason whatsoever and hence not require the whole or any part of the Works to be carried out, the Engineer-in-Charge

shall give notice in writing to that effect to the Contractor and the Contractor shall have no claim to any payment of compensation or otherwise whatsoever, on account of any profit or advantage which he might have derived from the execution of the Works in full but which he did not derive in consequence of the foreclosure of the whole or part of the Works.

The Contractor shall be paid at Contract rates full amount for works executed at Site and, in addition, a reasonable amount as certified by the Engineer-in-Charge for the items hereunder mentioned which could not be utilised on the work to the full extent because of the foreclosure :

- (a) Any expenditure incurred on preliminary site work, e.g. temporary access roads, temporary labour huts, staff quarters and site office; storage accommodation and water storage tanks.
- (b) (i) Government shall have the option to take over Contractor's materials or any part thereof either brought to Site or of which the Contractor is legally bound to accept delivery from suppliers (for incorporation in or incidental to the work), provided, however, Government shall be bound to take over the materials or such portions thereof as the Contractor does not desire to retain. For materials taken over or to be taken over by Government cost of such materials. The cost shall, however, take into account purchase price, cost of transportation and deterioration or damage which may have been caused to materials whilst in the custody of the Contractor.
 - (ii) For Contractor's materials not retained by Government, reasonable cost of transporting such materials from Site to Contractor's permanent stores or to his other Works, whichever is less. If materials are not transported to either of the said places, no cost of transportation shall be payable.
- (c) If any materials supplied by Government are rendered surplus, the same except normal wastage shall be returned by the Contractor to Government at rates not exceeding those at which these were originally issued less allowance for any deterioration or damage which may have been

caused whilst the materials were in the custody of the Contractor. In addition, cost of transporting such materials from site to Government stores, if so required by Government.

- (d) Reasonable compensation for transfer of T. & P. from Site to Contractor's permanent stores or to his other Works, whichever is less. If T & P. are not transported to either of the said places, no cost of transportation shall be payable.
- (e) Reasonable compensation for repatriation of Contractor's Site staff and imported labour to the extent necessary.

The Contractor shall, if required by the Engineer-in-Charge, furnish to him books of account, wage books, time sheets and other relevant documents as may be necessary to enable him to certify the reasonable amount payable under this Condition.

Termination of Contract for Death

42. If the Contractor is an individual or a proprietary concern and the individual or the proprietor dies and if the Contractor is a partnership concern and one of the partners dies then unless the Accepting Authority is satisfied that the legal representatives of the individual Contractor or of the proprietor of the proprietary concern and in the case of a partnership, the surviving partners, are capable of carrying out and completing the Contract, the Accepting Authority shall be entitled to cancel the Contract as to its incompleting part without Government being in any way liable to payment of any compensation to the estate of the deceased Contractor and/or to the surviving partners of the Contractor's firm on account of the cancellation of the Contract. The decision of the Accepting Authority that the legal representatives of the deceased Contractor or the surviving partners of the Contractor's firm cannot carry out and complete the Contract shall be final and binding on the parties. In the event of such cancellation Government shall not hold the estate of the deceased Contractor and/or the surviving partners of the Contractor's firm liable in damages for not completing the Contract.

Cancellation of Contract in Full or in Part

43. If the Contractor :

- (a) at any time makes default in proceeding with the Works with due diligence and continues to do so

after a notice in writing of 7 days from the Engineer-in-Charge; or

- (b) commits default in complying with any of the terms and conditions of the Contract and does not remedy it or take effective steps to remedy it within 7 days after a notice in writing is given to him in that behalf by the Engineer-in-Charge; or
- (c) fails to complete the Works or items of work with individual dates of completion, on or before the date(s) of completion, and does not complete them within the period specified in a notice given in writing in that behalf by the Engineer-in-Charge; or
- (d) shall offer or give or agree to give to any person in Government service or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of this or any other Contract for Government; or
- (e) shall enter into a Contract with Government in connection with which commission has been paid or agreed to be paid by him or to his knowledge, unless the particulars of any such commission and the terms of payment thereof have previously been disclosed in writing to the Accepting Authority/Engineer-in-Charge; or
- (f) shall obtain a Contract with Government as a result of ring tendering or other *non-bona fide* methods of competitive tendering; or
- (g) being an individual, or if a firm, any partner thereof, shall at any time be adjudged insolvent or have a receiving order or order for administration of his estate made against him or shall take any proceedings for liquidation or composition (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) under any Insolvency Act for the time being in force or make any conveyance or assignment of his effects or composition or arrangement for the benefit of his creditors or purport so to do, or if any application be made under any Insolvency Act for the time being in force for the sequestration of

his estate or if a trust deed be executed by him for benefit of his creditors; or

- (h) being a company, shall pass a resolution or the Court shall make an order for the liquidation of its affairs, or a receiver or manager on behalf of the debenture holders shall be appointed or circumstances shall arise which entitle the Court or debenture holders to appoint a receiver or manager; or
- (i) shall suffer an execution being levied on his goods and allow it to be continued for a period of 21 days; or
- (j) assigns, transfers, sublets (engagement of labour on a piece-work basis or of labour with materials not to be incorporated in the work, shall not be deemed to be subletting) or attempts to assign, transfer or sublet the entire Works or any portion thereof without the prior written approval of the Accepting Authority;

the Accepting Authority may, without prejudice to any other right or remedy which shall have accrued or shall accrue thereafter to Government, by written notice cancel the contract as a whole or only such items of work in default from the Contract.

The Accepting Authority shall on such cancellation have powers to :

- (a) take possession of the Site and any materials, constructional plant, implements, stores, etc., thereon; and/or
- (b) carry out the incomplete work by any means at the risk and cost of the Contractor.

On cancellation of the Contract in full or in part the Engineer-in-Charge shall determine what amount, if any, is recoverable from the Contractor for completion of the Works or part of the Works or in case the Works or part of the Works is not to be completed, the loss or damage suffered by Government. In determining the amount, credit shall be given to the Contractor for the value of the work executed by him up to the time of cancellation, the value of Contractors' materials taken over and incorporated in the work, and use of tackle and machinery belonging to the Contractor.

Any excess expenditure incurred or to be incurred by Government in completing the Works or part of the Works or the

excess loss or damages suffered or may be suffered by Government as aforesaid after allowing such credit shall be recovered from any moneys due to the Contractor on any account, and if such moneys are not sufficient the Contractor shall be called upon in writing to pay the same within 30 days.

If the Contractor shall fail to pay the required sum within the aforesaid period of 30 days, the Engineer-in-Charge shall have the right to sell any or all of the Contractors' unused materials, constructional plant, implements, temporary buildings, etc. and apply the proceeds of sale thereof towards the satisfaction of any sums due from the Contractor under the Contract and if thereafter there be any balance outstanding from the Contractor, it shall be recovered in accordance with the provisions of the Contract.

Any sums in excess of the amounts due to Government and unsold materials, constructional plant, etc., shall be returned to the Contractor, provided always that if cost or anticipated cost of completion by Government of the Works or part of the Works is less than the amount which the Contractor would have been paid had he completed the Works or part of the Works, such benefit shall not accrue to the Contractor.

Liability for Damage, Defects or Imperfections and Rectification thereof

44. If the Contractor or his workman or employees shall injure or destroy any part of the building in which they may be working or any building, road, fence, etc. contiguous to the premises on which the work or any part of it is being executed, or if any damage shall happen to the work while in progress the Contractor shall upon receipt of a notice in writing in that behalf make the same good at his own expense. If it shall appear to the Engineer-in-Charge or his Representative at any time during construction or re-construction or prior to the expiration of the Defects Liability Period, that any work has been executed with unsound, imperfect or unskilful workmanship or that any materials or articles provided by the Contractor for execution of the work are unsound or of a quality inferior to that contracted for, or otherwise not in accordance with the Contract, or that any defect, shrinkage or other faults have appeared in the work arising out of defective or improper materials or workmanship, the Contractor shall, upon receipt of a notice in writing in that behalf from the Engineer-in-Charge, forthwith rectify or remove and re-construct the work so specified in whole or in part, as the case may require or as the case

may be, and/or remove the materials or articles so specified and provide other proper and suitable materials or articles at his own expense, notwithstanding that the same may have been inadvertently passed, certified and paid for and in the event of his failing to do so within the period to be specified by the Engineer-in-Charge in his notice aforesaid, the Engineer-in-Charge may rectify or remove and re-execute the work and/or remove and replace with others the materials or articles complained of, as the case may be, by other means at the risk and expense of the Contractor.

In case of repairs and maintenance works, splashes and droppings from white-washing, painting, etc., shall be removed and surfaces cleaned simultaneously with completion of these items of work in individual rooms, quarters or premises, etc., where the work is done, without waiting for completion of all other items of work in the Contract. In case the Contractor fails to comply with the requirements of this Condition, the Engineer-in-Charge shall have the right to get the work done by other means at the cost of the Contractor. Before taking such action, however, the Engineer-in-Charge shall give three days notice in writing to the Contractor.

Urgent Works

45. If any Urgent Work (in respect whereof the decision of the Engineer-in-Charge shall be final and binding) becomes necessary and the Contractor is unable or unwilling at once to carry it out, the Engineer-in-Charge may by his own or other work people, carry it out as he may consider necessary.. If the Urgent Work shall be such as the Contractor is liable under the Contract to carry out at his expense, all expenses incurred on it by Government shall be recoverable from the Contractor and be adjusted or set off against any sum payable to him.

Changes in Constitution

46. Where the Contractor is a partnership firm, prior approval in writing of the Accepting Authority shall be obtained before any change is made in the constitution of the firm. Where the Contractor is an individual or a Hindu Undivided Family business concern such approval as aforesaid shall likewise be obtained before the Contractor enters into any partnership agreement whereunder the partnership firm would have the right to carry out the work hereby undertaken by the Contractor. If prior approval as aforesaid is not obtained the Contract

shall be deemed to have been assigned in contravention of Condition 43(j) hereof and the same action may be taken and the same consequences shall ensue as provided for in the said Condition 43.

Training of Apprentices

47. The Contractor shall during the currency of the Contract when called upon by the Engineer-in-Charge engage and also ensure engagement by sub-contractors and others employed by the Contractor in connection with the Works, such number of Apprentices in the categories mentioned in Schedule F and for such periods as may be required by the Engineer-in-Charge. The Contractor shall train them as required under the Apprentices Act, 1961 and shall be responsible for all obligations of the employer under the Act including the liability to make payment to Apprentices as required under the Act.

48. *Blank.*

49. *Blank.*

50. *Blank.*

CHAPTER III

VALUATION AND PAYMENT

Records and Measurement

51. The Engineer-in-Charge shall except as otherwise stated ascertain and determine by measurement the value in accordance with the Contract of work done in accordance therewith.

All items having a financial value shall be entered in Measurement Book, level book, etc. prescribed by Government so that a complete record is obtained of all work performed under the Contract.

Buildings, etc., priced as a unit lump-sum shall be entered by number at the unit lump-sum.

Work carried out for agreed lump-sum shall be described and similarly recorded.

Lump-sum omissions shall be entered for deduction.

Measurements shall be taken jointly by the Engineer-in-Charge or his authorised representative and by the Contractor or his authorised representative.

Before taking measurements of any work the Engineer-in-Charge or the person deputed by him for the purpose shall give a reasonable notice to the Contractor. If the Contractor fails to attend or send an authorised representative for measurement after such a notice or fails to countersign or to record the objection within a week from the date of measurement, then in any such event measurements taken by the Engineer-in-Charge or by the person deputed by him shall be taken to be correct measurements of the work.

The Contractor shall, without extra charge, provide assistance with every appliance and other things necessary for measurement.

Measurements shall be signed and dated by both parties each day on the Site on completion of measurement. If the Contractor objects to any of the measurements recorded on

behalf of Government a note to that effect shall be made in the Measurement Book against the item objected to and such note shall be signed and dated by both parties engaged in taking the measurement.

If as a result of such objection, it becomes necessary to re-measure the work wholly or in part, the expense of such re-measurement shall be borne by the party requiring the measurements to be retaken provided that net errors are found by this measurement to amount to less than 5 per cent of the value as recorded by the first measurement. Where, however, the net errors amount to 5 per cent or over of the said value, the cost of re-measurement shall be borne by the other party. In any case, if the net value of errors found exceeds Rs. 500, the expense of re-measurement shall be borne by the other party.

Method of Measurement

52. Except where any general or detailed description of the work in Bills of Quantities or Schedule of Works/Items/Quantities expressly shows to the contrary, Bills of Quantities or Schedule of Works/Items/Quantities shall be deemed to have been prepared and measurements shall be taken in accordance with the procedure set forth in the Schedule of Rates/Specification notwithstanding any provision in the relevant Standard Method of Measurement or any general or local custom. In the case of items which are not covered by the Schedule of Rates/Specification, measurements shall be taken in accordance with the relevant Standard Method of Measurement issued by the Indian Standards Institution.

Production of Vouchers

53. The Contractor shall when required by the Engineer-in-Charge produce all quotations, invoices, vouchers and accounts or receipts in connection with expenditure of Provisional or Prime Cost Sums. He shall similarly produce vouchers, etc., if required, to prove to the Engineer-in-Charge that materials supplied by him are in conformity with the specification laid down in the Contract.

Payments on Account

54. Interim bills shall be submitted by the Contractor at intervals mentioned in Schedule F on or before the date fixed by the Engineer-in-Charge, for the work executed. The Engineer-in-Charge shall then arrange to have the bill verified by taking

or causing to be taken, where necessary, the requisite measurements of the work.

Payment on account for amount admissible shall be made on the Engineer-in-Charge certifying the sum to which the Contractor is considered entitled by way of interim payment for the following :

- (a) all work executed, after deducting therefrom the amounts already paid, the security deposit/retention money and such other amounts as may be deductible or recoverable in terms of the Contract;
- (b) 75 per cent of the cost (as assessed by the Engineer-in-Charge) of any materials which are in the opinion of the Engineer-in-Charge reasonably required in accordance with the Contract and have been brought to Site for incorporation in the Works and are safeguarded against loss due to any cause whatsoever to the satisfaction of the Engineer-in-Charge, but have not been so incorporated; and
- (c) 75 per cent of the cost (as assessed by the Engineer-in-Charge) in respect of non-perishable materials like steel which are reasonably required after fabrication in accordance with the Contract for incorporation in the Works but which have not been brought to Site but have been delivered for fabrication to some other workshop or factory of the Contractor, against the Contractor furnishing a guarantee acceptable to Government.

The advance payments under (b) and (c) above shall be adjusted as and when materials are utilised in the Works.

The amount admissible shall be paid on the 10th day (or on the next working day if the 10th day happens to be a holiday) after presentation of the bill, after such verification as is considered necessary being made in the meantime and if it is not so paid, interest shall be payable by Government on the amount admissible at the rate of 1% per annum from the 11th day (or from the day following the next working day if the 10th day happens to be a holiday).

Any interim certificate given relating to work done or materials delivered, may be modified or corrected by any subsequent interim certificate or by the final certificate. No certificate of the Engineer-in-Charge supporting an interim pay-

ment shall of itself be conclusive evidence that any work or materials to which it relates is/are in accordance with the contract.

Pending consideration of extension of date of completion interim payments shall continue to be made as herein provided

[Time Limit for Payment of Final Bill

55. The final bill shall be submitted by the Contractor within three months of physical completion of the Works. No further claims shall be made by the Contractor after submission of the final bill and these shall be deemed to have been waived and extinguished. Payment of those items of the bill in respect of which there is no dispute and of items in dispute, for quantities and at rates as approved by Engineer-in-Charge, shall be made within the period specified hereunder, the period being reckoned from the date of receipt of the bill by the Engineer-in-Charge :

- (a) Contract amount not exceeding Rs. 5 lakhs Four months
- (b) Contract amount exceeding Rs. 5 lakhs Six months

Interest at the rate of 1% per annum shall be payable by Government on the portion of the final bill payable as aforesaid but not paid within the stipulated period.

After payment of the amount of the final bill payable as aforesaid has been made, the Contractor may, if he so desires, reconsider his position in respect of the disputed portion of the final bill and if he fails to do so within 90 days, his disputed claim shall be dealt with as provided in the Contract.

Reimbursement/Refund on Variation in Price

*56. (a) **Materials** : If after submission of the tender and/or during the progress of the Works, the price of any material (not being a material supplied from the Engineer-in-Charge's store in accordance with the Conditions of the Contract) is increased or decreased by an Act of Legislature (Central or State) and/or any notification thereunder or on account of new duties or levies such as octroi or on account of increase or decrease in such duties affecting the price of materials required for incorporation in the Works or the price of any item to be incorporated in the

*To be deleted where Condition 56-A is included.

Works and made from materials of which the price has increased or decreased as aforesaid and the Contractor has thereupon to pay in respect of such material or item a price which is higher or lower than the price of that material or item as prevailing immediately before the passing of such Act or levying, increasing/decreasing of such duty, Government shall in case of increase in price or the duty reimburse to the Contractor the increase in price or the additional or increased duty paid by the Contractor and in case of decrease in price Government shall be entitled to a refund of the reduction in price or the reduction in duty. Provided however no reimbursement or refund shall be made if the increase/decrease is not more than $\pm 5\%$ of the said price, and, if so, the reimbursement or refund shall be made only on the excess over $\pm 5\%$. Provided that any increase will not be payable if such increase has become operative after the Contract or extended date of completion of the Works or items of work in question.

(b) **Labour** : For the purpose of this Contract, the minimum wages of unskilled labour and of skilled and semi-skilled labour on the date of submission of the tender shall be taken as shown in Schedule D. If on account of any legislation, notification, labour award or duly approved binding agreement, the minimum wages of unskilled labour and of skilled and semi-skilled labour are increased at any time or times after the date of submission of the tender and the Contractor has to pay any increased wages, then the Government shall reimburse to the Contractor the increase in the cost of labour not exceeding the increase permitted under the legislation, notification, labour award or duly approved binding agreement as aforesaid, subject as hereinafter provided.

If any portion of the Works has been given on a piece-work basis and the cost of such work has increased because of the increase in minimum wages as aforesaid, Government shall reimburse to the Contractor such increase not exceeding the amount calculated on the basis of the permitted increase for the portion of the labour component of the cost of such piece work. For this purpose the components of unskilled and of skilled (which will include semi-skilled) labour for each trade of work shall be taken as shown in Schedule E.

Provided however no increase shall be payable if the increase is not more than 5% of the said wages and, if so, the increase shall be payable only on the excess over 5% and provided further that any such increase shall not be payable if such

increase has become operative after the contract or extended date of completion of the Works or items of work in question.

Illustration

Piece-work remaining to be done at the relevant date valued on the basis of Contract rates	_____	Rs. 1,000
Unskilled labour component for the trade	_____	15%
Skilled labour component for the trade	_____	5%
Value of unskilled labour for piece-work	_____	Rs. 150
Value of skilled labour for piece-work	_____	Rs. 50
Wage rate of unskilled labour on the date of submission of the tender (as given in Schedule D)	_____	Rs. 2.50
Increased wage rate of unskilled labour	_____	Rs. 3
Amount payable for increase in Wage rate of unskilled labour	$150 \times \frac{3 - (2.50 + 5\%)}{2.50}$	= Rs. 22.50
Wage rate of skilled labour on the date of submission of the tender (as given in Schedule D)	_____	Rs. 8.00
Increase wage rate of skilled labour	_____	Rs. 10.00
Amount payable for increase in wage rate of skilled labour	$50 \times \frac{10 - (8 + 5\%)}{8.00}$	= Rs. 10.00

(c) **Insurance under Workmen's Compensation Act and other Liabilities** : In the event of there being any increase of workmen's compensation insurance premium under any law or any additional or new liability under the labour laws being imposed on the Contractor after the date of submission of the tender, the

additional expenditure incurred by the Contractor in that behalf shall be paid to the Contractor by Government.

(d) **Additional statutory obligations :** Any increase in the cost of work due to payment to Contractor's employees including those of piece-workers, at Site of work, because of additional statutory obligations after the date of submission of the tender, shall be reimbursed to the Contractor.

General : The Contractor shall for the purpose of any claim for additional payment under this Condition produce satisfactory documentary evidence in support thereof and shall at the request of the Engineer-in-Charge furnish such information as may be required by him.

The Contractor shall within a reasonable time of becoming aware of any alteration in the prices or variation in wages or variation in premium, etc., as provided above give notice thereof in writing to Government stating that the same is given pursuant to this Condition together with all information relating thereto which he may be in a position to supply. Similarly if any refund is to be claimed from the Contractor on account of reduction in price, the Engineer-in-Charge shall give notice thereof to the Contractor and follow the same procedure.

OR

Reimbursement/Refund on Variation in Price (To be incorporated in those contracts only in which transport is a significant factor).

*56-A. (a) **Materials:** If after submission of the tender and/or during the progress of the Works, the price of any material (not being a material supplied from the Engineer-in-Charge's store in accordance with the Conditions of the Contract) is increased or decreased by an act of Legislature (Central or State) and/or any notification thereunder or on account of new duties or levies such as octroi or on account of increase or decrease in such duties affecting the price of materials required for incorporation in the Works or the price of any item to be incorporated in the Works and made from materials of which the price has increased or decreased as aforesaid and the Contractor has thereupon to pay in respect of such material or item a price which is higher or lower than the price of that material or item as prevailing immediately before the passing of such Act or levying, increasing/decreasing of such duty, Government shall in case of increase in price or the duty reimburse to the Contractor the

*To be deleted where Condition 56 is included.

increase in price or the additional or increased duty paid by the Contractor and in case of decrease in price Government shall be entitled to a refund of the reduction in price or the reduction in duty. Provided however no reimbursement or refund shall be made if the increase/decrease is not more than $\pm 5\%$ of the said price and, if so, the reimbursement or refund shall be made only on the excess over $\pm 5\%$. Provided that any increase will not be payable if such increase has become operative after the Contract or extended date of completion of the Works or items of work in question.

(a) (i) **Petrol and/or Diesel** : If after submission of the tender and/or during the progress of the Works, price of petrol and/or diesel (not being supplied from Engineer-in-Charge's store in accordance with the Conditions of the Contract) is increased or decreased by an Act of Legislature (Central or State) and/or any notification thereunder and the Contractor has thereupon to pay for petrol and/or diesel a price which is higher or lower than the price of petrol and/or diesel as prevailing immediately before the passing of such Act, Government shall in case of increase in the price reimburse to the Contractor the increase in price paid by the Contractor and in case of decrease in price Government shall be entitled to a refund of the reduction in price. Provided however no reimbursement or refund shall be made if the increase/decrease is not more than $\pm 5\%$ of the said price and if so, the reimbursement or refund shall be made only on the excess over $\pm 5\%$. Provided that any increase will not be payable if such increase has become operative after the Contract or extended date of completion of the Works or items of work in question.]

(b) **Labour** : For the purpose of this Contract the minimum wages of unskilled labour and of skilled and semi-skilled labour on the date of submission of the tender shall be taken as shown in Schedule D. If on account of any legislation, notification, labour award or duly approved binding agreement, the minimum wages of unskilled labour and of skilled and semi-skilled labour are increased at any time or times after the date of submission of the tender and the Contractor has to pay any increased wages, then the Government shall reimburse to the Contractor the increase in the cost of labour not exceeding the increase permitted under the legislation, notification, labour award or duly approved binding agreement as aforesaid, subject as hereinafter provided.

If any portion of the Works has been given on a piece-work basis and the cost of such work has increased because of

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the increase in minimum wages as aforesaid, Government shall reimburse to the Contractor such increase not exceeding the amount calculated on the basis of the permitted increase for the portion of the labour component of the cost of such piece work. For this purpose the components of unskilled and of skilled (which will include semi-skilled) labour for each trade of work shall be taken as shown in Schedule E.

Provided however no increase shall be payable if the increase is not more than 5% of the said wages and, if so, the increase shall be payable only on the excess over 5% and provided further that any such increase shall not be payable if such increase has become operative after the contract or extended date of completion of the Works or items of work in question.

Illustration

Piece-work remaining to be done at the relevant date valued on the basis of Contract rates	_____Rs.	1000
Unskilled labour component [for the trade	_____	15%
Skilled labour component for the trade	_____	5%
Value of unskilled labour for piece-work	_____Rs.	150
Value of skilled labour for piece-work	_____Rs.	50
Wage rate of unskilled labour on the date of submission of the tender (as given in Schedule D)	_____Rs.	2.50
Increased wage rate of unskilled labour	_____Rs.	3
Amount payable for increase in wage rate of unskilled labour	$150 \times \frac{3 - (2.50 + 5\%)}{2.50} = \text{Rs. } 22.50$	
Wage rate of skilled labour on the date of submission of the tender (as given in Schedule D)	_____Rs.	8.00

Increase wage rate of skilled labour	_____Rs. 10.00
Amount payable for increase in wage rate of skilled labour	$50 \times \frac{10 - (8 + 5\%)}{8.00}$
	=Rs. 10.00

(c) **Insurance under Workmen's Compensation Act and other Liabilities** : In the event of there being any increase of workmen's compensation insurance premium under any law or any additional or new liability under the labour laws being imposed on the Contractor after the date of submission of the tender, the additional expenditure incurred by the Contractor in that behalf shall be paid to the Contractor by Government.

General : The Contractor shall for the purpose of any claim for additional payment under this Condition produce satisfactory documentary evidence in support thereof and shall at the request of the Engineer-in-Charge furnish such information as may be required by him.

The Contractor shall within a reasonable time of becoming aware of any alteration in the prices or variation in wages or variation in premium, etc., as provided above, give notice thereof in writing to Government stating that the same is given pursuant to this Condition together with all information relating thereto which he may be in a position to supply. Similarly if any refund is to be claimed from the Contractor on account of reduction in price, the Engineer-in-Charge shall give notice thereof to the Contractor and follow the same procedure.

Loans

57. Loans will, subject to availability of funds and, if required by the Contractor, be given as under within six weeks of submission of application by him subject to other conditions being fulfilled and the Engineer-in-Charge certifying the sum to which the Contractor is entitled by way of loan :

In case of contracts valued at over Rs. 10 lakhs

- (a) for execution of any essential preliminary items of work such as huttings for labour, access road, Site offices, at 75% of the cost thereof as assessed by the Engineer-in-Charge on completion of these items or part(s) thereof. Interest on the sum outstanding

shall be levied at the percentage mentioned in Schedule F.

Loan against this item shall in no case exceed 2% of the Contract Sum.

In case of contracts valued at over Rs. 20 lakhs

- (b) for plant and equipment specifically acquired for the work and brought to Site, at 75% of the purchase price of new machinery, against production of documents in support thereof and subject to the condition that the Engineer-in-Charge considers the price reasonable and that such plant and equipment are necessary for the Works and not in excess of requirements and are hypothecated in favour of Government in the form required by Government. Interest on the sum outstanding shall be levied at the percentage mentioned in Schedule F.

Loan against plant and equipment shall in no case exceed 6% of the Contract Sum.

In case of contracts valued at over Rs. 20 lakhs

- (c) a lumpsum advance not exceeding 4% of the Contract Sum against a guarantee acceptable to Government at the rate of interest mentioned in Schedule F. The advance shall be utilised for the purposes of this Contract only and for no other purpose.

Provided that if a request for loan is made by the Contractor against all the three aforementioned provisions of this Condition viz. (a), (b) and (c), the total sum to be given as loan shall not exceed 10% of the Contract Sum.

Recovery of the sums loaned against (a), (b) and (c) above and of interest thereon shall be made by deduction from the on account payments referred to in Condition 54 and as mentioned in Schedule F, in suitable percentages in relation to the progress, as fixed by the Engineer-in-Charge, so that all the sums loaned with interest thereon shall be fully recovered by the time work amounting to nearly 80% of the Contract Sum is completed. If the amount payable under any interim bill is not sufficient to cover all deductions to be made for sums loaned and other sums deductible therefrom, the balance outstanding shall be deducted from subsequent interim bill/bills, as may be necessary, failing that, as otherwise provided for in the Contract.

If for any reason, except a default of the Contractor, the work under the Contract is suspended or is to be suspended for more than 15 days, the Contractor shall be at liberty to remove the plant and equipment or any part thereof hypothecated to Government under clause (b) above to any other Works site of the Contractor for carrying on his other Works, on his furnishing prior to such removal a bank guarantee acceptable to Government for the amount of the outstanding loan granted under clause (b) above with interest and undertaking to bring back to the Site, before expiry of the period of suspension, the Plant and Equipment as may be necessary for completion of the Works. If such Plant and Equipment are not brought back, the Contractor shall forthwith repay the amount of the loan outstanding with interest.

Bonus (To be incorporated in those contracts only in which completion earlier than the date stipulated is desired)

58. Bonus shall be paid to the Contractor as hereinafter provided for earlier completion of the entire work comprised in the Contract. If the entire work is completed in accordance with the terms and Conditions of the Contract before expiry of the original period prescribed for completion, a bonus for the period saved on the original period of completion shall be payable at the rate mentioned in Schedule F subject to the maximum provided therein.

Bonus shall be granted only if the entire work is actually completed before expiry of the originally stipulated period of completion. Any plea that the delay was due to any difficulty or cause beyond the contractor's control, or to any act or default of Government, its servants or agents, or any other reason whatsoever except that mentioned in Conditions 12 and 13 in respect of additional work, shall not be entertained for considering the period of completion of the Works.

Overpayments and Underpayments

59. Whenever any claim for the payment of a sum of money to Government arises out of or under this Contract against the Contractor the same may be deducted by Government from any sum then due or which at any time thereafter may become due to the Contractor under this Contract and failing that under any other Contract with Government or from any other sum due to the Contractor from Government (which may be available with Government) or from his security deposit/retention money; or he shall pay the claim on demand.

Government reserve the right to carry out post-payment audit and technical examination of the final bill including all supporting vouchers, abstracts, etc. Government further reserve the right to enforce recovery of any overpayment when detected, notwithstanding the fact that the amount of the final bill may be included by one of the parties as an item of dispute before an arbitrator appointed under Condition 60 of this Contract and notwithstanding the fact that the amount of the final bill figures in the arbitration award.

If as a result of such audit and technical examination any overpayment is discovered in respect of any work done by the Contractor or alleged to have been done by him under the Contract, it shall be recovered by Government from the Contractor by any or all of the methods prescribed above or if any underpayment is discovered, the amount shall be duly paid to the Contractor by Government.

Provided that the aforesaid right of Government to adjust overpayments against amounts due to the Contractor under any other Contract with Government shall not extend beyond the period of two years from the date of payment of the final bill or in case the final bill is a MINUS bill, from the date the amount payable by the Contractor under the MINUS final bill is communicated to the Contractor.

Any amount due to the Contractor under this Contract for underpayment may be adjusted against any amount then due or which may at any time thereafter become due before payment is made to the Contractor, from him to Government on any other Contract or account whatsoever.

CHAPTER IV

ARBITRATION AND LAWS

Arbitration

60. All disputes or differences whatsoever which shall at any time arise between the parties hereto touching or concerning the Works or the execution or maintenance thereof or this Contract or the construction meaning operation or effect thereof or to the rights or liabilities of the parties or arising out of or in relation thereto whether during or after completion of the Contract or whether before or after determination, foreclosure or breach of the Contract (other than those in respect of which the decision of any person is by the Contract expressed to be final and binding) shall after written notice by either party to the Contract to the other of them and to the Appointing Authority herein-after mentioned be referred for adjudication to a sole Arbitrator to be appointed as hereinafter provided.

For the purpose of appointing the sole Arbitrator referred to above, the Appointing Authority mentioned in Schedule F will send within thirty days of receipt of the notice, to the Contractor a panel of three names of persons who shall all be presently unconnected with the organisation for which the work is executed, from any one or more of the following :

- (1) Past/present President of the Institution of Engineers (India).
- (2) Past/present Chairman of a Local Centre of the Institution of Engineers (India).
- (3) Past/present President of the Institution of Surveyors.
- (4) Past/present Chief Engineer/Addl. Chief Engineer/Deputy Chief Engineer, of Central or State PWD, MES or Railways.
- (5) Past/present Chief Surveyor of Works/Supdt. Surveyor of Works/Superintending Engineer of MES or CPWD.
- (6) Persons on the Panel of Arbitrators of the Ministry of Works, Housing and Supply (Deptt. of Works & Housing).

The Contractor shall on receipt of the names as aforesaid, select any one of the persons named to be appointed as a sole Arbitrator and communicate his name to the Appointing Authority within thirty days of receipt of the names. The Appointing Authority shall thereupon without any delay appoint the said person as the sole Arbitrator. If the Contractor fails to communicate such selection as provided above within the period specified, the Appointing Authority shall make the selection and appoint the selected person as the Sole Arbitrator.

If the Appointing Authority fails to send to the Contractor the panel of three names as aforesaid within the period specified, the Contractor shall send to the Appointing Authority a panel of three names of persons who shall all be unconnected with the organisation for which the work is executed from any one or more of the categories mentioned above. The Appointing Authority shall on receipt of the names as aforesaid select any one of the persons named and appoint him as the sole Arbitrator. If the Appointing Authority fails to select the person and appoint him as the sole Arbitrator within 30 days of receipt of the panel and inform the Contractor accordingly, the Contractor shall be entitled to appoint one of the persons from the panel as the sole Arbitrator and communicate his name to the Appointing Authority.

If the Arbitrator so appointed is unable or unwilling to act or resigns his appointment or vacates his office due to any reason whatsoever another sole Arbitrator shall be appointed as aforesaid.

The work under the Contract shall, if reasonably possible, continue during the arbitration proceedings and no payment due or payable to the Contractor shall be withheld on account of such proceedings.

The Arbitrator shall be deemed to have entered on the reference on the date he issues notice to both the parties fixing the date of the first hearing.

The Arbitrator may, from time to time, with the consent of the parties, enlarge the time for making and publishing the award.

The Arbitrator shall give a separate award in respect of each dispute or difference referred to him.

The venue of arbitration shall be such place as may be fixed by the Arbitrator in his sole discretion.

The fees, if any, of the Arbitrator shall, if required to be paid before the award is made and published, be paid half and half by each of the parties. The costs of the reference and of the award (including the fees, if any, of the Arbitrator) shall be in the discretion of the Arbitrator who may direct to and by whom and in what manner, such costs or any part thereof shall be paid and may fix or settle the amount of costs to be so paid.

The award of the Arbitrator shall be final and binding on both the parties.

Laws governing the Contract

61. This Contract shall be governed by the Indian laws for the time being in force.

APPENDIX I

(See Condition 18)

CONTRACTORS' LABOUR REGULATIONS

1. **Definitions :** In these regulations, unless otherwise expressed or indicated, the following words and expressions shall have the meaning hereby assigned to them :

- (a) "Labour" means workers employed by a contractor directly, or indirectly through a sub-contractor, or by an agent on his behalf on a payment not exceeding Rs. 500 per month.
- (b) "Fair Wage" means wages, which shall include wages for weekly day of rest and other allowances, whether for time or piece work, after taking into consideration prevailing market rates for similar employments in the neighbourhood but shall not be less than the minimum rates of wages fixed under the Minimum Wages Act.
- (c) "Contractor" for the purpose of these Regulations shall include an agent or sub-contractor employing labour on the work taken on contract.
- (d) "Inspecting Officer" means any Labour Enforcement Officer, or Assistant Labour Commissioner of the Chief Labour Commissioner's Organisation.
- (e) "Form" means a form appended to these Regulations.

2. **Notice of commencement :** The Contractor shall, within SEVEN days of commencement of the work, furnish in writing to the Inspecting Officer of the area concerned the following information :

- (a) name and situation of the work,
- (b) contractors' name and address,
- (c) particulars of the Department for which the work is undertaken,
- (d) name and address of sub-contractors as and when they are appointed,
- (e) commencement and probable duration of the work,
- (f) number of workers employed and likely to be employed,
- (g) 'fair wages' for different categories of workers.

3. (f) **Number of hours of work which shall constitute a normal working day :** The number of hours which shall constitute a normal working day for an adult shall be NINE hours. The working day of an adult worker shall be so arranged that inclusive of intervals, if any, for rest it shall not spread over more than twelve hours on any day. When an adult worker is made to work for more than NINE hours on any day or for more than FORTY EIGHT hours in any week he shall, in respect of overtime work, be paid wages at double the ordinary rate of wages.

NOTE : The expression 'ordinary rate of wages' means the fair wage the worker is entitled to.

(ii) **Weekly day of rest** : Every worker shall be given a weekly day of rest which shall be fixed and notified at least TEN days in advance. A worker shall not be required or allowed to work on the weekly rest day unless he has or will have a substituted rest day, on one of the five days immediately before or after the rest day. Provided that no substitution shall be made which will result in the worker working for more than ten days consecutively without a rest day for a whole day.

Where in accordance with the foregoing provisions a worker works on the rest day and has been given a substituted rest day he shall be paid wages for the work done on the weekly rest day at the overtime rate of wages.

4. **Display of notice regarding Wages, Weekly Day of Rest, etc.** : The Contractor shall before he commences his work on contract, display and correctly maintain and continue to display and correctly maintain in a clean and legible condition in conspicuous places on the works, notices in English and in the local Indian language, spoken by majority of workers, giving the rate of fair wages, the hours of work for which such wages are payable, the weekly rest days workers are entitled to and name and address of the Inspecting Officer. The Contractor shall send a copy each of such notices to the Inspecting Officers.

5. **Fixation of Wage Periods** : The Contractor shall fix wage periods in respect of which wages shall be payable. No wage period shall normally exceed one week.

6. **Payment of Wages** : (i) Wages due to every worker shall be paid to him direct. All wages shall be paid in current coins or currency or in both.

(ii) Wages of every worker employed on the contract shall be paid, where the wage period is one week, within THREE days from the end of the Wage period; and in any other case before the expiry of the 7th day or 10th day from the end of the wage period according as the number of workers does not exceed 1,000 or exceeds 1,000.

(iii) When employment of any worker is terminated by or on behalf of the contractor, the wages earned by him shall be paid before expiry of the day succeeding the one on which his employment is terminated.

(iv) Payment of wages shall be made at the work site on a working day except when the work is completed before expiry of the wage period, in which case final payment shall be made at the work site within 48 hours of the last working day and during normal working time.

NOTE : The term "working day" means a day on which the work on which labour is employed, is in progress.

7. **Register of Workmen** : A register of workmen shall be maintained in Form I and kept at the work site or as near to it as possible, and the relevant particulars of every workman shall be entered therein within THERE days of his employment.

8. **Employment Card** : The Contractor shall issue an employment card in Form II to each worker on the day of work or entry into his employment. If a worker has already any such card with him issued by the previous

employer, the contractor shall merely endorse that Employment Card with relevant entries. On termination of employment the Employment Card shall again be endorsed by the contractor and returned to the worker.

9. Register of Wages etc. : (i) A Register of Wages-cum-Muster Roll in Form III shall be maintained and kept at the work site or as near to it as possible.

(ii) A wage slip in Form IV shall be issued to every worker employed by the contractor at least a day prior to disbursement of wages.

10. Fines and Deductions which may be made from Wages : (i) Wages of a worker shall be paid to him without any deductions of any kind except the following :

- (a) fines;
- (b) deductions for absence from duty, i.e. from the place or the places where by the terms of his employment he is required to work. The amount of deduction shall be in proportion to the period for which he was absent;
- (c) deductions for damage to or loss of goods expressly entrusted to the employed person for custody, or for loss of money which he is required to account for, where such damage or loss is directly attributable to his neglect or default;
- (d) deductions for recovery of advances or for adjustment of overpayment of wages. Advance granted shall be entered in a register; and
- (e) any other deduction which the Government may from time to time allow.

(ii) No fines shall be imposed on any worker save in respect of such acts and omissions on his part as have been approved by the Chief Labour Commissioner.

(iii) No fine shall be imposed on a worker and no deductions for damage or loss shall be made from his wages until the worker has been given an opportunity of showing cause against such fines or deductions.

(iv) The total amount of fines which may be imposed in any one wage period on a worker shall not exceed an amount equal to three paise in a rupee of the wages payable to him in respect of that wage period.

(v) No fine imposed on a worker shall be recovered from him in instalments, or after expiry of sixty days from the date on which it was imposed. Every fine shall be deemed to have been imposed on the day of the act or omission in respect of which it was imposed.

(vi) The contractor shall maintain both in English and the local Indian language a list, approved by the Chief Labour Commissioner, clearly stating the acts and omissions for which penalty or fine may be imposed on a workman and display it in good condition in a conspicuous place on the work site.

11. Preservation of Registers : The Register of workman and the Register of Wages-cum-Muster Roll required to be maintained under these Regulations shall be preserved for 3 years after the date on which the last entry is made therein.

12. **Enforcement :** The Inspecting Officer shall either on his own motion or on a complaint received by him carry out investigations, and send a report to the Engineer-in-Charge specifying the amounts representing workers' dues and amount of penalty to be imposed on the contractor for breach of these Regulations, that have to be recovered from the contractor, indicating full details of the recoveries proposed and the reasons therefor. It shall be obligatory on the part of the Engineer-in-Charge on receipt of such a report to deduct such amounts from payments due to the contractor.

13. **Disposal of amounts recovered from the contractor :** The Engineer-in-Charge shall arrange payment to workers concerned within FORTYFIVE days from receipt of a report from the Inspecting Officer except in cases where the contractor had made an appeal under Regulation 15 of these Regulations. In cases where there is an appeal, payment of workers' dues would be arranged by the Engineer-in-Charge, wherever such payments arise, within THIRTY days from the date of receipt of the decision of the Regional Labour Commissioner (R.L.C.).

14. **Welfare Fund :** All moneys that are recovered by the Engineer-in-Charge by way of workers' dues which could not be disbursed to workers within the time-limit prescribed above, due to reasons such as whereabouts of workers not being known, death of a worker, etc. and also amounts recovered as penalty, shall be credited to a Fund to be kept under the custody of the R.L.C. for such benefit and welfare of workmen employed by contractors as are prescribed by the Chief Labour Commissioner.

15. **Appeal against decision of Inspecting Officer :** Any person aggrieved by a decision of the Inspecting Officer may appeal against such decision to the Regional Labour Commissioner concerned within THIRTY days from the date of the decision, forwarding simultaneously a copy of his appeal to the Engineer-in-Charge. The decision of the Regional Labour Commissioner shall be final and binding upon the contractor and the workmen.

16. **Representation of parties :** (i) A workman shall be entitled to be represented in any investigation or enquiry under these Regulations by an officer of a registered trade union of which he is a member or by an officer of a Federation of trade unions to which the said trade union is affiliated or where the workman is not a member of any registered trade union, by an officer of a registered trade union, connected with, or by any other workman employed in, the industry in which the worker is employed.

(ii) A contractor shall be entitled to be represented in any investigation or enquiry under these Regulations by an officer of an association of contractors of which he is a member or by an officer of a Federation of associations of contractors to which the said association is affiliated or where the contractor is not a member of any association of contractors, by an officer of association of employers, connected with, or by any other employer engaged in, the industry in which the contractor is engaged.

(iii) No party shall be entitled to be represented by a legal practitioner in any investigation or enquiry under these Regulations.

17. **Inspection of Books and other Documents :** The Contractor shall allow inspection of the Registers and other documents prescribed under

these Regulations by Inspecting Officers and the Engineer-in-Charge or his authorised representative at any time and by the worker or his agent on receipt of due notice at a convenient time.

18. **Interpretation, etc. :** On any question as to the application, interpretation or effect of these Regulations, the decision of the Chief Labour Commissioner or Deputy Chief Labour Commissioner (Central) shall be final and binding.

19. **Amendments :** Government may, from time to time, add to or amend these Regulations and issue such directions as it may consider necessary for the proper implementation of these Regulations or for the purpose of removing any difficulty which may arise in the administration thereof.

FORM IV
WAGE SLIP
(Regulation 9)

(i) Name of the Contractor _____
(ii) Place _____

-
1. Name of the worker with father's/husband's name
 2. Nature of employment
 3. Wage Period
 4. Rate of Wages payable
 5. Total attendance/Unit of work done
 6. Dates on which overtime worked
 7. Overtime Wages
 8. Gross wages payable
 9. Total deductions (indicating nature of deductions)
 10. Net wages payable
-

Contractor's Signature/
Thumb Impression

Employee's Signature/
Thumb Impression

APPENDIX II

(See Condition 18)

MODEL RULES FOR LABOUR WELFARE

1. **Definitions** (a) 'Workplace' means a place at which, on an average, twenty or more workers are employed.

(b) 'Large Workplace' means a place at which, on an average, 500 or more workers are employed.

2. First Aid

At every workplace, there shall be maintained in a readily accessible place first-aid appliances including an adequate supply of sterilized dressings and sterilized cotton wool as prescribed in the Factory Rules of the State in which the work is carried on. The appliances shall be kept in good order and, in large workplaces, they shall be placed under the charge of a responsible person who shall be readily available during working hours.

At large workplaces, where hospital facilities are not available within easy distance of the Works, First Aid posts shall be established and be run by a trained compounder.

Where large workplaces are remotely situated and far away from regular hospitals, an indoor ward shall be provided with one bed for every 250 employees.

Where large workplaces are situated in cities, towns or in their suburbs and no beds are considered necessary owing to proximity of city or town hospitals, suitable transport shall be provided to facilitate removal of urgent cases to these hospitals. At other workplaces, some conveyance facilities shall be kept readily available to take injured person or persons suddenly taken seriously ill, to the nearest hospital.

At large workplaces there shall be provided and maintained an ambulance room of the prescribed sizes, containing the prescribed equipment and in the charge of such medical and nursing staff as may be prescribed. For this purpose the relevant provisions of the Factory Rules of the State Government of the area where the work is carried on may be taken as the prescribed standard.

3. **Accommodation for labour** : The Contractor shall during the progress of the Works provide, erect and maintain necessary temporary living accommodation and ancillary facilities for labour at his own expense and to standards & scales as approved by the Engineer-in-Charge.

4. Drinking Water

In every workplace, there shall be provided and maintained at suitable places, easily accessible to labour, a sufficient supply of cold water fit for drinking.

Where drinking water is obtained from an intermittent public water supply each workplace shall be provided with storage where drinking water shall be stored.

Every water supply storage shall be at a distance of not less than 15 meters from any latrine drain or other source of pollution. Where water has to be drawn from an existing well, which is within such proximity of latrine drain or any other source of pollution, the well shall be properly chlorinated before water is drawn from it for drinking. All such wells shall be entirely closed in and be provided with a trap door which shall be dust and water-proof.

A reliable pump shall be fitted to each covered well, the trap door shall be kept locked and opened only for cleaning or inspection which shall be done at least once a month.

5. **Washing and Bathing Places** : Adequate washing and bathing places shall be provided separately for men and women. Such places shall be kept in clean and drained condition.

6. **Scale of Accommodation in Latrines and Urinals**: There shall be provided within the precincts of every workplace latrines and urinals in an accessible place, and the accommodation, separately for each of these, shall not be less than at the following scales :—

	<i>No. of seats</i>
(a) Where number of persons does not exceed 50.	2
(b) Where number of persons exceeds 50 but does not exceed 100.	3
(c) For additional persons	3 per 100 or part thereof

In particular cases, the Engineer-in-Charge shall have the power to vary the scale, where necessary.

7. **Latrines and Urinals** : Except in workplaces provided with water-flushed latrines connected with a water-borne sewage system, all latrines shall be provided with receptacles on dry-earth system which shall be cleaned at least four times daily and at least twice during working hours and kept in a strictly sanitary condition. Receptacles shall be tarred inside and outside at least once a year.

If women are employed, separate latrine and urinals, screened from those for men and marked in the vernacular in conspicuous letters "For women only" shall be provided on the scale laid down in rule 6. Those for men shall be similarly marked "For Men Only". A poster showing the figure of a man and of a woman shall also be exhibited at the entrance to latrines for each sex. There shall be adequate supply of water close to latrines and urinals.

8. **Construction of Latrines** : Inside wells shall be constructed of masonry or other non-absorbent material and shall be cement-washed inside and outside at least once a year. The dates of cement washing shall be noted in a register maintained for the purpose and kept available for inspection. Latrines shall have at least thatched roof.

9. **Disposal of Excreta** : Unless otherwise arranged for by the local sanitary authority, arrangement for proper disposal of excreta by incineration at the workplace shall be made by means of a suitable incinerator approved

by the local medical, health and municipal or cantonment authorities. Alternatively excreta may be disposed of by putting a layer of night soil at the bottom of pucca tank prepared for the purpose and covering it with a 15 cm. layer of waste or refuse and then covering it with a layer of earth for a fortnight (when it will turn into manure).

The Contractor shall, at his own expense, carry out all instructions issued to him by the Engineer-in-Charge to effect proper disposal of soil and other conservancy work in respect of Contractor's work-people or employees on the Site. The Contractor shall be responsible for payment of any charges which may be levied by municipal or cantonment authority for execution of such work on his behalf.

10. Provision of shelters during rest : At every work-place there shall be provided, free of cost, four suitable sheds, two for meals and two others for rest, separately for use of men and women Labour. Height of each shelter shall not be less than 3 meters from floor-level to lowest part of roof. Sheds shall be kept clean and the space provided shall be on the basis of at least 0.5 sq. m. per head.

11. Creches

At a place at which 20 or more women workers are ordinarily employed, there shall be provided at least one hut for use of children under the age of 6 years, of such women. Huts shall not be constructed to a standard lower than that of thatched roof, mud floor and walls with wooden planks spread over mud floor and covered with matting.

Huts shall be provided with suitable and sufficient openings, for light and ventilation. There shall be adequate provision of sweepers to keep the places clean. There shall be two 'dais' in attendance. Sanitary utensils shall be provided to the satisfaction of local medical, health and municipal or cantonment authorities. Use of huts shall be restricted to children, their attendants and mothers of children.

Where the number of women workers is more than 25 but less than 50, the Contractor shall provided at least one hut and one Dai to look after children of women workers.

Size of creche(s) shall vary according to the number of women workers employed.

Creche(s) shall be properly maintained and necessary equipment like toys, etc., provided.

12. Canteen : A cooked food canteen on a moderate scale shall be provided for the benefit of workers wherever it is considered necessary.

13. Planning, siting and crection of the above-mentioned structures shall be approved by the Engineer-in-Charge, and the whole of such temporary accommodation shall at all times during the progress of the Works be kept tidy and in a clean and sanitary condition to the satisfaction of the Engineer-in-Charge and at the Contractor's expense. The Contractor shall conform generally to sanitary requirements of local medical, health and municipal or cantonment authorities and at all times adopt such precautions as may be necessary to prevent soil pollution of the Site.

On completion of the Works the whole of such temporary structures shall be cleared away, all rubbish burnt, excreta or other disposal pits or trenches filled in and effectively sealed off and the whole of Site left clean and tidy to the entire satisfaction of the Engineer-in-Charge and at the Contractor's expense.

14. Anti-malarial precautions : The Contractor shall, at his own expense, conform to all anti-malarial instructions given to him by the Engineer-in-Charge, including filling up of any borrow pits which may have been dug by him.

15. Enforcement : The Inspecting Officer mentioned in Appendix I or any other officer nominated in this behalf by the Engineer-in-Charge shall report to the Engineer-in-Charge all cases of failure to comply with the provisions of these Rules either wholly or in part and the Engineer-in-Charge shall impose such fines and other penalties as are prescribed in the conditions.

16. Interpretations, etc : On any question as to the application, interpretation or effect of these Rules the decision of the Chief Labour Commissioner or Deputy Chief Labour Commissioner (Central) shall be final and binding.

17. Amendments : Government may, from time to time, add to or amend these Rules and issue such directions as it may consider necessary for the proper implementation of these Rules or for the purpose of removing any difficulty which may arise in the administration thereof.

APPENDIX III

(See Condition 18)

SAFETY CODE

1. Suitable scaffolds shall be provided for workmen for all work that cannot safely be done from the ground, or from solid construction except such short period work as can be done safely from ladders. When a ladder is used an extra mazdoor shall be engaged for holding the ladder and if the ladder is used for carrying materials as well, suitable footholds and handholds shall be provided on the ladder and the ladder shall be given an inclination not steeper than 1/4 to 1 (1/4 horizontal and 1 vertical).

2. Scaffolding or staging more than 3.25 metres above the ground or floor, swung or suspended from an overhead support or erected with stationary support, shall have a guard rail properly attached, bolted, braced and otherwise secured at least 1 meter high above the floor or platform of such scaffolding or staging and extending along the entire length of the outside and ends thereof with only such openings as may be necessary for the delivery of materials. Such scaffolding or staging shall be so fastened as to prevent it from swaying from the building or structure.

3. Working platform, gangways, and stairways shall be so constructed that they do not sag unduly or unequally, and if height of a platform or gangway or stairway is more than 3.25 meters above ground level or floor level, it shall be closely boarded, have adequate width and be suitably fenced, as described in 2 above.

4. Every opening in floor of a building or in a working platform shall be provided with suitable means to prevent fall of persons or materials by providing suitable fencing or railing with a minimum height of 1 meter.

5. Safe means of access shall be provided to all working platforms and other working places. Every ladder shall be securely fixed. No portable single ladder shall be over 9 meters in length. Width between side rails in a rung ladder shall in no case be less than 30 cm. for ladders upto and including 3 meters in length. For longer ladders this width shall be increased at least 6 mm. for each additional 30 cm. of length. Uniform step spacing shall not exceed 30 cm.

Adequate precautions shall be taken to prevent danger from electrical equipment. No materials on any of the Sites shall be so stacked or placed as to cause danger or inconvenience to any person or the public. The Contractor shall provide all necessary fencing and lights to protect public from accidents and shall be bound to bear expenses of defence of every suit, action or other proceedings at law that may be brought by any person for injury sustained owing to neglect of the the above precautions and to pay any damages and costs which may be awarded in any such suit, action or proceedings to any such person or which may with the consent of the Contractor be paid to compromise any claim by any such person.

6. **Excavation and Trenching** : All trenches, 1.5 meters or more in depth, shall at all times be supplied with at least one ladder for each 30 meters in

length or fraction thereof. Ladder shall be extended from bottom of trench to at least 1 meter above surface of the ground. Sides of a trench which is 1.5 meters or more in depth shall be stepped back to give suitable slope, or securely held by timber bracing, so as to avoid the danger of sides collapsing. Excavated material shall not be placed within 1.5 metres of edge of trench or half of depth of trench, whichever is more. Cutting shall be done from top to bottom. Under no circumstances shall undermining or undercutting be done.

7. **Demolition** : Before any demolition work is commenced and also during the process of the work :—

- (a) All roads and open areas adjacent to the work Site shall either be closed or suitably protected ;
- (b) No electric cable or apparatus which is liable to be a source of danger over a cable or apparatus used by operator shall remain electrically charged;
- (c) All practical steps shall be taken to prevent danger to persons employed, from risk of fire or explosion, or flooding. No floor, roof, or other part of a building shall be so overloaded with debris or materials as to render it unsafe.

8. All necessary personal safety equipment as considered adequate by the Engineer-in-Charge shall be available for use of persons employed on the Site and maintained in a condition suitable for immediate use; and the Contractor shall take adequate steps to ensure proper use of equipment by those concerned.

- (a) Workers employed on mixing asphaltic materials, cement and lime mortars/concrete shall be provided with protective footwear and protective goggles.
- (b) Those engaged in handling any material which is injurious to eyes shall be provided with protective goggles.
- (c) Those engaged in welding works shall be provided with welder's protective eye-shields.
- (d) Stone breakers shall be provided with protective goggles and protective clothing and seated at sufficiently safe intervals.
- (e) When workers are employed in sewers and manholes, which are in use, the Contractor shall ensure that manhole covers are opened and manholes are ventilated at least for an hour before workers are allowed to get into them. Manholes so opened shall be cordoned off with suitable railing and provided with warning signals or boards to prevent accident to public.
- (f) The Contractor shall not employ men below the age of 18 and women on the work of painting with products containing lead in any form. Whenever men above the age of 18 are employed on the work of lead painting, the following precautions shall be taken :
 - (i) No paint containing lead or lead products shall be used except in the form of paste or ready made paint.
 - (ii) Suitable face masks shall be supplied for use by workers when paint is applied in the form of spray or a surface having lead paint dry rubbed and scraped.

- (iii) Overalls shall be supplied by the Contractor to workmen and adequate facilities shall be provided to enable working painters to wash during and on cessation of work.

9. When work is done near any place where there is risk of drowning, all necessary equipment shall be provided and kept ready for use and all necessary steps taken for prompt rescue of any person in danger and adequate provision made for prompt first aid treatment of all injuries likely to be sustained during the course of the work.

10. Use of hoisting machines and tackle including their attachments, anchorage and supports shall conform to the following :—

- (a) (i) These shall be of good mechanical construction, sound material and adequate strength and free from patent defects and shall be kept in good repair and in good working order.
- (ii) Every rope used in hoisting or lowering materials or as a means of suspension shall be of durable quality and adequate strength, and free from patent defects.
- (b) Every crane driver or hoisting appliance operator shall be properly qualified and no person under the age of 21 years shall be in charge of any hoisting machine including any scaffold winch or give signals to operator.
- (c) In case of every hoisting machine and of every chain ring hook, shackle swivel and pulley block used in hoisting or lowering or as means of suspension, safe working load shall be ascertained by adequate means. Every hoisting machine and all gear referred to above shall be plainly marked with safe working load. In case of a hoisting machine having a variable safe working load, each safe working load and the conditions under which it is applicable shall be clearly indicated. No part of any machine or of any gear referred to above in this paragraph shall be loaded beyond safe working load except for the purpose of testing.
- (d) In case of a departmental machine, safe working load shall be notified by the Engineer-in-Charge. As regards Contractor's machines the Contractor shall notify safe working load of each machine to the Engineer-in-Charge whenever he brings it to Site of work and get it verified by the Engineer-in-Charge.

11. Motors gearing, transmission, electric wiring and other dangerous parts of hoisting appliances shall be provided with efficient safeguards; hoisting appliances shall be provided with such means as will reduce to the minimum risk of accidental descent of load adequate precautions shall be taken to reduce to the minimum risk of any part of a suspended load becoming accidentally displaced. When workers are employed on electrical installations which are already energised, insulating mats, working apparel such as gloves, sleeves and boots, as may be necessary, shall be provided. Workers shall not wear any rings, watches and carry keys or other materials which are good conductors of electricity.

12. All scaffolds, ladders and other safety devices mentioned or described herein shall be maintained in a safe condition and no scaffold, ladder or equipment shall be altered or removed while it is in use. Adequate washing facilities shall be provided at or near places of work.

13. These safety provisions shall be brought to the notice of all concerned by display on a notice board at a prominent place at the workspot. Persons responsible for ensuring compliance with the Safety Code shall be named therein by the Contractor.

14. To ensure effective enforcement of the rules and regulations relating to safety precautions, arrangements made by the Contractor shall be open to inspection by the Engineer-in-Charge or his representatives and the Inspecting Officers as defined in Appendix I.

15. Notwithstanding the above conditions 1 to 14, the Contractor is not exempted from the operation of any other Act or Rule in force.

ANNEXURES D-I AND D-II

TENDER FORMS

ANNEXURE D-I*

**TENDER
FOR**

(Here insert the name of the Works)

1. To be submitted by..... hours on..... (date)
to.....
2. Tenders shall be opened in the presence of tenderers who may be present, at..... hours on... (date)
in the office of.....

Issued to.....
(Contractor)

Signature of officer }
issuing the }
documents } _____

Designation _____

Date _____

*For use in—

- (a) Lump-Sum Contracts based on Pre-priced Schedule of Works.
- (b) Lump-Sum Contracts based on Bills of Quantities or on Drawings & Specifications.
- (c) Measurement Contracts based on Item Rates.

TENDER

To

The President of India/Governor of the State
of.....
(hereinafter referred to as Government)

I/We have read and examined the following documents relating to the
Construction of.....*

- (a) Notice inviting tender
- (b) Schedules A, B, C, D, E and F
- (c) ----- Specifications
- (d) Drawings
- (e) General Conditions of Contract including Appendices I to III
together with Amendment Nos. 1 to.....
- (f) Special Conditions
- (g) ----- Schedule of Rates (referred to in the General
Conditions of Contract as Schedule of Rates) together with Amend-
ment Nos. 1 to.....

I/We hereby tender for the execution of the Works referred to in the afore-
said documents upon the terms & conditions contained or referred to therein
and in accordance in all respects with the specifications, designs, drawings
and other relevant details at the rates contained in Schedule A
for the lumpsum quoted in General Summary
and within the period(s) of completion as stipulated in Schedule A.

In consideration of I/We being invited to tender, I/We agree to keep
the tender open for acceptance for.....days from the due date
of submission thereof and not to make any modifications in its terms and
conditions which are not acceptable to Government.

A sum of Rs.....is hereby forwarded in Cash/
Treasury Challan/Deposit at Call Receipt of a scheduled bank as earnest
money. If I/We fail to keep the tender open as aforesaid or make any modi-
fications in the terms and conditions of the tender which are not acceptable
to Government, I/We agree that Government shall, without prejudice to any
other right or remedy, be at liberty to forfeit 10% of the said earnest money
absolutely. Should this tender be accepted, I/We hereby agree to abide
by and fulfil all the terms, conditions and provisions of the aforesaid docu-
ments.

If, after the tender accepted, I/We fail to commence the execution of
the Works as provided in the Conditions, I/We agree that Government shall
without prejudice to any other right or remedy, be at liberty to forfeit the said
earnest money absolutely.

*Here insert the name of the Works

†Delete before issue of tenders whichever is inapplicable.

Exemption from payment of Earnest Money]

I/We have already furnished security to Government in lieu of earnest money and have deposited with the Chief Engineer/Superintending Engineer/ Executive Engineer, the lumpsum amount of Rs...../Rs...../ Rs.....and I/We therefore claim exemption in terms of the Bond executed by me/us and bearing No..... dated the.....day of.....19.....against the necessity of depositing earnest money in respect of this tender.

I/We agree that should Government decide to forfeit earnest money as aforesaid, unless a sum equal to the earnest money mentioned above is paid by us forthwith, Government may at its option recover it out of the deposit and in the event of deficiency, out of any other moneys due to me/us or otherwise.

I/We have already furnished to Government a lumpsum security of Rs.....in lieu of the security amount/retention money to be deducted from me/our interim bills in individual cases and have deposited the amount with.....and I/we therefore claim exemption in terms of the Bond executed by me/us and bearing No..... dated the.....day of.....19..... against the necessity of depositing earnest money and recovery of security money/retention money in respect of this tender. In case Government becomes entitled to recover any moneys out of the security deposit under the terms of this Contract, Government shall be entitled to recover the moneys from the lumpsum security of Rs.....provided by me/us as aforesaid.

Witness.....

Date.....

Address.....

Signature.....

in the capacity of.....

Duly authorised to }
sign the tender on }
behalf of }
(In Block Capitals) }

Date.....

Postal address.....

Telegraphic address.....

Telephone No.....

GENERAL SUMMARY

(Applicable to Lump Sum Contracts based on pre-priced

Schedule of Works)

1. (a) Net cost of Buildings/Works etc. from Schedule A Part I	Rs.....
(b) *Add.....percent Contractors percent tage	Rs.....
Deduct	
2. (a) Net cost of internal electrification from Schedule A Part II	Rs.....
(b) *Add.....percent Contractors percentage-	Rs.....
Deduct	
3. (a) Net cost of internal watersupply from Schedule A Part III	Rs.....
(b) *Add.....percent Contractors percentage	Rs.....
Deduct	
4. <i>(Other Parts if any)</i>	
5. Provisional Sums	Rs.....
6. Prime Cost Sums	Rs.....

Total : _____

For the Lumpsum of Rupees.....
(in words)

Signature of } _____	Signature of } _____
Issuing Officer }	Contractor }
Date _____	Date _____

*Contractor to delete as required

GENERAL SUMMARY

(Applicable to Lumpsum Contracts based on Bills of Quantities or on Drawings and Specifications)

1. Cost of items of Works from Schedule A Part I	Rs.....
2. Cost of items of Works from Schedule A Part II	Rs.....
3. Cost of items of Works from Schedule A Part III	Rs.....
4. <i>(Other Parts if any)</i>	
5. Provisional Sums	Rs.....
6. Prime Cost Sums	Rs.....

For the lumpsum of Rupees.....
 _____(in words) Total:—

Signature of }
 Issuing Officer } _____
 Date _____

Signature of }
 Contractor } _____
 Date _____

GENERAL SUMMARY

(Applicable to Measurement Contracts based on Item Rates)

- | | |
|--|---------|
| 1. Cost of items of Works from Schedule A Part I | Rs..... |
| 2. Cost of items of Works from Schedule A Part II | Rs..... |
| 3. Cost of items of Works from Schedule A Part III | Rs..... |
| 4. <i>(Other Parts if any)</i> | |
| 5. Provisional Sums | Rs..... |
| 6. Prime Cost Sums | Rs..... |

_____ Total :

At the item rates quoted in Schedule of Works/
Items/Quantities for the sum of Rupees.....
_____ (in words) _____

Signature of } _____
Issuing Officer }

Signature of } _____
Contractor }

Date _____

Date _____

SCHEDULE 'A'
SCHEDULE OF WORKS

Sl. No.	Description of Building/work/Item	Drawing No.	No. of Units Reqd.	Unit Rate	Total		Period for completion of individual items or of groups of items	Remarks
				Rs.	Rs.			
1	2	3	4	5	6	7	8	

PART I

(say, buildings)

PART II

(say, internal electrification)

PART III

(say, internal water supply)

etc. etc.

Signature of } _____
 Issuing Officer }
 Date _____

Signature of } _____
 Contractor }
 Date _____

NOTE : Total of each Part to be carried to General Summary.

SCHEDULE 'B'
MATERIALS FOR ISSUE TO THE CONTRACTOR
(See Condition 17)

Sl. No.	Particulars	Rate at which material will be issued		Quantity Govt. is prepared to issue	Place of Issue	Remarks	*Quantity required by the Contractor
		Unit	Rs.				
1	2	3	4	5	6	7	8

oired

Signature of Issuing Officer } _____ Signature of Contractor } _____

Date _____ Date _____

***NOTE :** The tenderer shall indicate in column 8 the quantity required by him subject to the maximum indicated in column 5.

SCHEDULE 'C'

TOOLS AND PLANT TO BE HIRED TO THE CONTRACTOR

(See Conditions 16 & 36A)

Sl. No.	Particulars	Number available	Hire charges per unit per working day Rs.	Frequency of maintenance	†Value per unit	Place of issue	Remarks	*Number Reqd. by the Contractor
1	2	3	4	5	6	7	8	9

Signature of Issuing Officer } _____ Signature of Contractor } _____
 Date _____ Date _____

NOTES :

- *1. The tenderer shall indicate in column 9 the number required by him subject to the maximum indicated in column 3.
- †2. Column 6 is not to be completed if Condition 36A is omitted from the General Conditions of Contract.

SCHEDULE 'D'
SCHEDULE OF MINIMUM WAGES
(See Condition 56/56A)

Sl. No.	Category of labour	Wages per day	Remarks
1	2	3	4

- 1.
- 2.
- 3.
- etc. etc.

Signature of } _____ Issuing Officer }	Signature of } _____ Contractor }
Date _____	Date _____

SCHEDULE 'E'
LABOUR COMPONENTS OF TRADES
(See Condition 56/56A)

Sl. No.	Trade	Materials	Labour		
			Skilled	Unskilled	Total
1	2	3	4	5	6
		Per cent	Per cent	Per cent	Per cent
1.	Excavation . . .	10	10	80	90
2.	Concrete . . .	85	2½	12½	15
3.	Brickwork } Masonry . . .	75	15	10	25
4.	Carpentry } Joinery . . .	75	20	5	25
5.	Reinforcement . . .	90	10	—	10
6.	Steel fabrication including sheet metal work and metal work }	80	15	5	20
7.	Plastering . . .	50	35	15	50
8.	Painting } Polishing } Distemping }	65	25	10	35
9.	Glazing . . .	80	20	—	20
10.	Sanitary Fittings } Plumbing . . . } Piping }	85	10	5	15
11.	Ironmongery (Builders' Hardware) . . .	90	10	—	10
12.	Electrification . . .	80	17½	2½	20
13.	Any other trade not covered by the above }	70	20	10	30

Signature of } _____
 Issuing Officer }

Date _____

Signature of } _____
 Contractor }

Date _____

SCHEDULE 'F'

Reference to General Conditions of Contract

Condition
No.

3(a)	Accepting Authority	
3(f)	Market Rate—percentage addition to cover overheads and profit.	*10/15 per cent
11	Earnest money; security deposit/retention money—	
	(a) Estimated cost of the Works	Rs.
	(b) Earnest money	Rs.
	(1% of the estimated cost of the Works subject to a maximum of Rs. 20,000)	
	(c) Security deposit/retention money	Rs.
	(shall not exceed Rs. 1 lakh and shall be calculated as under :	
	(i) In case of Works estimated to cost up to Rs. 1 lakh, 10% of the estimated cost.	
	(ii) In case of Works estimated to cost more than Rs. 1 lakh and up to Rs. 2 lakhs, 10% on the first Rs. 1 lakh and 7½% on the balance.	
	(iii) In case of Works estimated to cost more than Rs. 2 lakhs, 10% on the first Rs. 1 lakh, 7½% on the next Rs. 1 lakh and 5% on the balance).	
	(d) Lumpsum security deposit/retention money	Rs.
**12(iii)	Percentage adjustment to the rates in the Schedule of Rates, for pricing deviations (Applicable to lumpsum Contracts based on Drawings and Specifications).	Plus/Minus per cent.
	<i>Deviation limit for items of work other than those below ground surface—</i>	
12(vi)A (e)	Permissible deviation limit for any contract item, substituted item or contract-cum-substituted item in excess of the original value of the item (Applicable to Lumpsum Contracts, Measurement Contracts based on item rates and Percentage Rate Contracts)	***—per cent of Rs. 500 whichever is high.

12(vi)A (b)	Permissible deviation limit for an individual trade item (Applicable to Lumpsum Contracts only)	%—per cent or Rs. 1,000 whichever is higher.
12(vi)A (c)	Permissible deviation limit for items of work not already included in the Contract <i>Deviation limit for items of work below ground surface—</i>	%—per cent or Rs. 1,000 which- ever is higher.
12(vi)B (a)	Permissible deviation limit for an individual trade item	*50/100 per cent
14	Suspension of work	
(b)(ii)	Percentage payable to cover Contractor's indirect expenses for suspension exceeding thirty days and not exceeding 3 months	—per cent
(c)	Percentage payable to cover Contractor's indirect expenses for suspension exceeding 3 months	—per cent
15(i)	Authority competent to decide if "any other cause" of delay is beyond Contractor's control	_____
18	Distribution return of number and description by trades of workmen employed on Works to be submitted to Engineer-in-Charge.	*Daily/Weekly/ Fortnightly
34	Authority competent to reduce compensation amount	_____
35	Defects Liability Period	*6/12 months
36A a	Limit of amount in respect of any claim which Contractor may recover directly from insurer	**Rs.
47	Training of apprentices <i>Category</i>	<i>Maximum number to be engaged</i>
	(a)	
	(b)	
	(c)	
	etc.	

54	Interim bills	*Fortnightly/Monthly
56/56A	Schedule D	Insert in Schedule D Minimum Wages fixed by Central or State Government, whichever are higher
57	Loans	
(a)	Interest per annum on sum advanced for execution of essential preliminary items of work	—per cent
(b)	Ditto for purchase of plant & equipment	—per cent
(c)	Ditto as lumpsum advance	—per cent
	Recovery to be effected	*Fortnightly/Monthly
**58	(a) Bonus admissible for early completion	*Rs.....per day/week/fortnight/month
	(b) Maximum bonus admissible	Rs.....
60	Authority for appointing arbitrator	*Engineer-in-Chief/ Chief Engineer Addl. Chief Engineer/Dy. Chief Engineer

*Delete whichever is inapplicable.

**Delete if inapplicable.

***Insert 20% for Contracts not exceeding Rs. 10 lakhs and 15% for Contracts exceeding Rs. 10 lakhs.

%Insert 7½% for Contracts not exceeding Rs. 10 lakhs and 5% for Contracts exceeding Rs. 10 lakhs.

ACCEPTANCE

The above tender (as modified by you as provided in the letters mentioned hereunder) is accepted by me on behalf of the President of India/Governor of the State of_____

*+ (a) for the lumpsum of Rs. _____(Rupees_____)

%+(b) at the item rates quoted in the Schedule of Works/Items/Quantities for the sum of Rs.....(Rupees.....)

The letters referred to above: —

(a)

(b)

(c)

etc. etc.

*For and on behalf of the President of India/
Governor of the State of_____*

Signature _____

Designation _____

Dated this day of _____19_____

*Applicable to Lumpsum Contracts.

%Applicable to Measurement Contracts based on Item Rates.

+Delete whichever is inapplicable.

ANNEXURE D-II*

TENDER

FOR

(Here insert the name of the Works)

1. To be submitted by.....hours on.....(date)
to.....
2. Tenders shall be opened in the presence of tenderers who may be
present, at.....hours on.....(date)
in the office of.....

Issued to _____
(Contractor)

Signature of officer } _____
issuing the documents }
Designation _____
Date _____

*For use in Percentage Rate Contracts.

TENDER

To

The President of India/Governor of the State of.....

 (hereinafter referred to as Government)

I/We have read and examined the following documents relating to the Construction of*

- (a) Notice inviting tender
- (b) Schedules A, B, C, D, E and F
- (c) _____ Specifications
- (d) Drawings
- (e) General Conditions of Contract including Appendices I to III together with Amendment Nos. 1 to.....
- (f) Special Conditions
- (g) _____ Schedule of Rates (referred to in the General Conditions of Contract as Schedule of Rates) together with Amendment Nos. 1 to.....

I/We hereby tender for the execution of the Works referred to in the aforesaid documents upon the terms and conditions contained or referred to therein and in accordance in all respects with the specifications, designs, drawings and other relevant details at the rates contained in the aforesaid

Schedule of Rates	adding thereto	
	deducting therefrom	per cent

(in words)or at such other rates as may be fixed under the terms and conditions of the Contract and within the period(s) of completion as stipulated in Schedule A.

In consideration of I/We being invited to tender, I/We agree to keep the tender open for acceptance for.....days from the due date of submission thereof and not to make any modifications in its terms and conditions which are not acceptable to Government.

A sum of Rs.....is hereby forwarded in Cash/Treasury Challan/Deposit at Call Receipt of a scheduled bank as earnest money. If I/We fail to keep the tender open as aforesaid or make any modifications in the terms and conditions of the tender which are not acceptable to Government, I/We agree that Government shall, without prejudice to any other right or remedy, be at liberty to forfeit 10% of the said earnest money absolutely. Should this tender be accepted, I/We hereby agree to abide by and fulfil all the terms, conditions and provisions of the aforesaid documents.

If, after the tender is accepted, I/We fail to commence the execution of the Works as provided in the Conditions, I/We agree that Government shall, without prejudice to any other right or remedy, be at liberty to forfeit the said earnest money absolutely.

*Here insert the name of Works.

Exemption from payment of Earnest Money

I/We have already furnished security to Government in lieu of earnest money and have deposited with the Chief Engineer/Superintending Engineer/ Executive Engineer, the lumpsum amount of Rs.....
 Rs...../ Rs.....and I/We, therefore claim exemption in terms of the Bond executed by me/us and bearing No.....dated the.....day of.....19..... against the necessity of depositing earnest money in respect of this tender.

I/We agree that should Government decide to forfeit earnest money as aforesaid, unless a sum equal to the earnest money mentioned above is paid by us forthwith, Government may at its option recover it out of the deposit and in the event of deficiency, out of any other moneys due to me/us or otherwise.

I/We have already furnished to Government a lumpsum security of Rs.....
in lieu of the security amount/ retention money to be deducted from me/our interim bills in individual cases and have deposited the amount with.....and I/We therefore, claim exemption in terms of the Bond executed by me/us and bearing No.....dated the.....day of.....19..... against the necessity of depositing earnest money and recovery of security money/retention money in respect of this tender. In case Government becomes entitled to recover any moneys out of the security deposit under the terms of this Contract, Government shall be entitled to recover the moneys from the lumpsum security of Rs.....provided by me/us as aforesaid.

Witness _____

Date _____

Address _____

Signature _____

in the capacity of _____

Duly authorised to }
 sign the tender on }
 behalf of }
 (In Block Capitals) }

Date _____

Postal address _____

Telegraphic address _____

Telephone No. _____

SCHEDULE 'A'
SCHEDULE OF WORKS

Sl. No.	Description of Building/Work/Item	No. of Units Reqd.	Period for completion of individual Items or of groups of Items	Remarks
1	2	3	4	5

Signature of } _____
 Issuing Officer }
 Date _____

Signature of } _____
 Contractor }
 Date _____

SCHEDULE 'B'
MATERIALS FOR ISSUE TO THE CONTRACTOR
(See Condition 17)

Sl. No.	Particulars	Rate at which material will be issued		Quantity Govt. is prepared to issue	Place of issue	Remarks	*Quantity required by the Contractor
		Unit	Rs.				
1	2	3	4	5	6	7	8

Signature of } _____ Signature of } _____
 Issuing Officer } Contractor }
 Date _____ Date _____

***NOTE :** The tenderer shall indicate in column 8 the quantity required by him subject to the maximum indicated in column 5.

SCHEDULE 'C'

TOOLS AND PLANT TO BE HIRED TO THE CONTRACTOR

(See Conditions 16 & 36A)

Sl. No.	Particulars	Number available	Hire charges per unit per working day Rs.	Frequency of maintenance	†Value per Unit	Place of issue	Remarks	*Number Reqd. by the Contractor
1	2	3	4	5	6	7	8	9

Signature of Issuing Officer } _____ Signature of Contractor } _____
Date _____ Date _____

Note :

- *1. The tenderer shall indicate in column 9 the number required by him subject to the maximum indicated in column 3.
- †2. Column 6 is not to be completed if Condition 36A is omitted from the General Conditions of Contract.

SCHEDULE 'D'
SCHEDULE OF MINIMUM WAGES
(See Condition 56/56A)

Sl. No.	Category of labour	Wages per day	Remarks
1	2	3	4

- 1.
- 2.
- 3.
- etc. etc.

Signature of } _____
Issuing Officer }
Date _____

Signature of } _____
Contractor }
Date _____

SCHEDULE 'E'
LABOUR COMPONENTS OF TRADES

(See Condition 56/56A)

Sl. No.	Trade	Materials	Labour		
			Skilled	Unskilled	Total
1	2	3	4	5	6
		Per cent	Per cent	Per cent	Per cent
1.	Excavation	10	10	80	90
2.	Concrete	85	2½	12½	15
3.	Brickwork }	75	15	10	25
	Masonry }				
4.	Carpentary }	75	20	5	25
	Joinery }				
5.	Reinforcement	90	10	—	10
6.	Steel fabrication including }	80	15	5	20
	sheet metal work and }				
	metal work				
7.	Plastering	50	35	15	50
8.	Painting }	65	25	10	35
	Polishing }				
	Distempering }				
9.	Glazing	80	20	—	20
10.	Sanitary Fittings }	85	10	5	15
	Plumbing }				
	Piping }				
11.	Ironmongery (Builders' }	90	10	—	10
	Hardware)				
12.	Electrification	80	17½	2½	20
13.	Any other trade not cov- }	70	20	10	30
	ered by the above				

Signature of } _____
 Issuing Officer }
 Date _____

Signature of } _____
 Contractor }
 Date _____

SCHEDULE 'F'

Reference to General Conditions of Contract

Condition No.

3(a)	Accepting Authority	_____	
3(i)	Market Rate—percentage addition to cover overheads and profit	*10/15 percent	
11	Earnest money; security deposit/retention money—		
	(a) Estimated cost of the Works	Rs.....	
	(b) Earnest money (1% of the estimated cost of the Works subject to a maximum of Rs. 20,000/-)	Rs.....	
	(c) Security deposit/retention money (shall not exceed Rs. 1 lakh and shall be calculated as under :	Rs.....	
	(i) In case of Works estimated to cost upto Rs. 1 lakh, 10% of the estimated cost.		
	(ii) In case of Works estimated to cost more than Rs. 1 lakh and upto Rs. 2 lakhs, 10% on the first Rs. 1 lakh and 7½% on the balance		
	(iii) In case of Works estimated to cost more than Rs. 2 lakhs, 10% on the first Rs. 1 lakh, 7½% on the next Rs. 1 lakh and 5% on the balance)		
	(d) Lumpsum security deposit/retention money	Rs.	
**12(iii)	Percentage adjustment to the rates in the Schedule of Rates, for pricing deviations (Applicable to lumpsum Contracts based on Drawings and Specification)	Plus/Minus..... percent	
	Deviation limit for items of work other than those below ground surface—		
12(vi)A	Permissible deviation limit for any contract item, substituted item or	***—percent or Rs. 500 which-	percent or

*Delete whichever is inapplicable.

**Delete if inapplicable.

***Insert 20% for Contracts not exceeding Rs. 10 lakhs and 15% for Contracts exceeding Rs. 10 lakhs.

	contract-cum-substituted item in excess of the original value of the item (Applicable to Lumpsum Contracts, Measurement Contracts based on item rates and percentage Rate Contracts)	ever is higher
12(vi)A (b)	Permissible deviation limit for an individual trade item (Applicable to Lumpsum Contracts only)	+-----percent or Rs. 1000 whichever is higher.
12(vii)A (c)	Permissible deviation limit for items of work not already included in the Contract. Deviation limit for items of work below ground surface—	+-----percent or Rs. 1000 whichever is higher.
12(vi)B (a)	Permissible deviation limit for an individual trade item.	*50/100 percent
14	Suspension of work	
(b) (ii)	Percentage payable to cover Contractor's indirect expenses for suspension exceeding thirty days and not exceeding 3 months.	-----Percent
(c)	Percentage payable to cover Contractor's indirect expenses for suspension exceeding 3 months.	-----percent
15(i)	Authority competent to decide if "any other cause" of delay is beyond Contractor's control.	-----
18	Distribution return of number and description by trades of workmen employed on Works to be submitted to Engineer-in-Charge.	*Daily/Weekly/Fortnightly.
34	Authority competent to reduce compensation amount.	-----
35	Defects Liability Period	*6/12 months
36A	Limit of amount in respect of any claim which contractor may recover directly from insurer.	**Rs.
47	Training of apprentices	
	<i>Category</i>	<i>Maximum Number to be engaged</i>
	(a)	
	(b)	
	(c)	
	etc.	

+ Insert 7-1/2% for Contracts not exceeding Rs. 10 lakhs and 5% for Contracts exceeding Rs. 10 lakhs.

*Delete whichever is inapplicable

**Delete if inapplicable.

54	Interim bills	.. .. .	*Fortnightly/Monthly
56/56A	Schedule D	. . . . .	Insert in Schedule D Minimum Wages fixed by Central or State Government, whichever are higher.
57	Loans		
(a)	Interest per annum on sum advanced for execution of essential preliminary items of work.	_____	percent
(b)	Ditto for purchase of plant & equipment	_____	percent
(c)	Ditto as lumpsum advance	. . . . .	_____ percent
	Recovery to be effected	. . . . .	*Fortnightly/Monthly.
**58	(a) Bonus admissible for early completion.		*Rs....per day/week/fortnight/month.
	(b) Maximum bonus admissible	. . . . .	Rs.
60	Authority for appointing arbitrator	. . . . .	*Engineer-in-Chief/Chief Engineer/Addl. Chief Engineer/Dy. Chief Engineer.

*Delete whichever is inapplicable.

**Delete if inapplicable.

ACCEPTANCE

The above tender (as modified by you as provided in the letters mentioned hereunder) is accepted by me on behalf of the President of India/ Governor of the State of at the uniform percentage of on/off the Schedule of Rates.

The letters referred to above :

(a)

(b)

(c)

etc., etc.

For and on behalf of the President of India/
Governor of the State of
Signature.....
Designation.....
Dated this day of.....19....

ANNEXURE—E

NOTICE INVITING TENDERS

133-134

ANNEXURE—E

NOTICE INVITING TENDERS

(Applicable to all types of contracts)

1. Tenders are invited on behalf of the President of India/Governor of the State of _____ for _____* The work is estimated to cost Rs. This estimate, however, is given merely as a rough guide.

2. The tender shall be on Form No.

3. The Works are required to be completed within months from the fifteenth day after the date on which the Engineer-in-Charge issues written orders to commence the work or from the date of handing over of the site, whichever is later, in accordance with the phasing, if any, indicated by Government in the tender documents. The site is expected to be handed over on or about

4. Normally contractors whose names are borne on the approved list of contractors of for the area in which the work lies and within whose financial category the estimated amount falls will be permitted to tender. Not more than one tender shall be submitted by a contractor or by a firm of contractors.

No two or more concerns in which an individual is interested as a Proprietor and/or a Partner shall tender for the execution of the same Works. If they do so, all such tenders shall be liable to be rejected.

5. The shall be the Accepting Officer hereinafter referred to as such for the purpose of this contract.

6. Applications for issue of tender documents shall be submitted to so as to reach his office not later than

7. A tenderer shall produce an income tax clearance certificate before tender documents can be **issued/sold to him.

8. Tender documents consisting of plans, specifications, Schedule(s) of Quantities of the various classes of work to be done, the conditions of contract and other necessary documents together with addressed envelopes to be used for return of tender forms and others documents will be open for inspection and **issued/sold on payment of Rs.*** on or after _____ and upto _____

*Here insert the name of the Works

**Delete whichever is inapplicable

***Delete if inapplicable

9. Copies of other drawings and documents pertaining to the Work signed for the purpose of identification by the Accepting Officer or his accredited representative and samples of materials to be arranged by the contractor will be open for inspection by tenderers at the following offices during working hours between the dates mentioned in clause 8 above :

(a) _____

(b) _____

10. Tenderers are advised to visit the site sufficiently in advance of the date fixed for submission of the tender. A tenderer shall be deemed to have full knowledge of all the relevant documents, samples, site, etc. whether he inspects them or not.

11. Submission of a tender by a tenderer implies that he has read this notice and all other contract documents and has made himself aware of the scope and specifications of the work to be done and of conditions and rates at which stores, tools and plant, etc. will be issued to him by Government, and local conditions & other factors bearing on the execution of the Works.

12. A tenderer should quote in figures as well as in words rate(s) tendered. The amount for each item should be worked out and the requisite totals given. Special care shall be taken to write rates in figures as well as in words, and the amounts in figures only in such a way that interpolation is not possible. The total amount shall be written both in figures and in words. In case of figures the words 'Rs' should be written before the figure of rupees and the words 'paise' after the decimal figures, e.g. Rs. 2.15P and in case of words, the words 'Rupees' should precede and the words 'paise' should be written at the end. Unless the rate is in whole rupees and followed by the word 'only' it should invariably be upto two places of decimal.

13. All rates shall be quoted on the tender form.

14. In the case of item rate tenders, only rates quoted shall be considered. Any tender containing percentage below/above the rates quoted is liable to be rejected.

15. The tender for the Works shall not be witnessed by a contractor or contractors who himself/themselves has/have tendered or who may and has/have tendered for the same Works. Failure to observe this condition shall render the tender of the contractor tendering as well as of those witnessing the tender liable to rejection.

16. Tenders shall be received by..... upto.....hours on the.....(date) and shall be opened at.....hours on the same day in the presence of tenderers who may be present.

17. In the case of contractors who have not furnished standing security, the tender shall be accompanied by earnest money (unless exempted from depositing it) of Rs.....in Cash/Treasury Challan/Deposit at Call Receipt issued in favour of.....by a scheduled bank the amount being credited to.....A contractor exempted from depositing earnest money/security in individual cases shall attach with the tender an attested copy of the letter exempting him from depositing earnest money/security and shall produce the original when called upon to do so.

- 18. On acceptance of tender earnest money will be treated as part of the security.
- 19. The tenderer, whose tender is accepted (unless exempted), shall permit Government at the time of making any payment to him for work done under the contract to deduct such sum as will along with the amount of earnest money already deposited amount to 10% on the first Rs. 1 lakh, 7½ % on the next Rs. 1 lakh and 5% on the balance of the gross amount of the bill till the sums so deducted amount to Rs.....
- 20. The Executive Engineer—————will return the earnest money, where applicable, to every unsuccessful tenderer on production by the tenderer of a certificate of..... that all tender documents have been returned.
- 21. A tenderer shall submit the tender which satisfies each and every condition laid down in this notice, failing which, the tender will be liable to be rejected.
- 22. The President of India/Governor of the State of————— does not bind himself to accept the lowest or any tender or to give any reasons for his decision.
- 23. This notice of tender shall form part of the contract documents.

For and on behalf of President of India/
Governor of the State of.....

Signature _____

Designation _____

Date _____

ANNEXURES F-1 to F-5

**FORMS
OF
DIFFERENT DEEDS
REQUIRED UNDER THE
GENERAL CONDITIONS OF CONTRACT**

139-140

ANNEXURE F—1

*[Form of Bank Guarantee in lieu of Security Deposit/Retention Money
in individual Contracts—General Condition No. 11(a).]*

To

The President of India/Governor of the State of.....

In consideration of the President of India/Governor of the State of.....(hereinafter called "the Government" which expression shall unless repugnant to the subject or context include his successors and assigns) having agreed under the terms and conditions of Contract No.....dated.....made between.....*.....and the Government in connection with.....(hereinafter called "the said Contract") to accept a Deed of Guarantee as herein provided for Rs.....from a Scheduled Bank in lieu of the security deposit to be made by the Contractor or in lieu of the deduction to be made from the Contractor's bills, for the due fulfilment by the said Contractor of the terms and conditions contained in the said Contract We, the..... Bank Ltd. (hereinafter referred to as "the said Bank") a Company under the Companies Act 1956 and having our registered office at.....do hereby undertake and agree to indemnify and keep indemnified the Government from time to time to the extent of Rs.....(Rupees.....only) against any loss or damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government by reason of any breach or breaches by the said Contractor of any of the terms and conditions contained in the said Contract and to unconditionally pay the amount claimed by the Government on demand and without demur to the extent aforesaid.

2. We.....Bank Ltd. further agree that the Government shall be the sole judge of and as to whether the said Contractor has committed any breach or breaches of any of the terms and conditions of the said Contract and the extent of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Govt. on account thereof and the decision of the Government that the said Contractor has committed such breach or breaches and as to the amount or amounts of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government from time to time shall be final and binding on us,

3. We, the said Bank, further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and till all the dues of the Government under the said Contract or by virtue of any of the terms and conditions governing the said Contract have been fully paid and its claims satisfied or discharged and till.....certifies that the terms and conditions of the said Contract have been fully and properly carried out by the said Contractor, and accordingly discharges this Guarantee subject, however, that the Government shall have no claim under this Guarantee after.....years from the date of expiry of the Defects Liability Period as provided in the said Contract or from the date of cancellation of the said Contract, as the case may be, unless a notice of the claim under this Guarantee has been served on the Bank before

For Partnership concerns

(1) Shri.....son of.....resident of.....

(2) Shrison ofresident of..... carrying on business in copartner-ship under the name and style of.....at.....(hereinafter collectively called "the said Contractor" which expression shall unless the context requires otherwise include each of them and their respective heirs, executors, administrators and legal representatives).

For Companies

S/Shri.....a company under the Companies Act 1956 and having its registered office at.....in the State of.....(hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include its successors and assigns).

ANNEXURE F-1(A)

[Form of Standing Bank Guarantee in lieu of earnest money/security deposit or retention money to cover all Contracts—General Condition No. 11(a)]

THIS INDENTURE made this..... day of.....
.....196..... between.....*..... of the first
part and..... Bank Ltd. hereinafter called
"the Bank" which expression shall include its successors and assigns of the
second part and the President of India/Governor of the State of.....
hereinafter called "the Government" which expression shall include his
successors and assigns of the third part;

WHEREAS the Contractor has to pay from time to time to the Go-
vernment the earnest money/security deposit in respect of works tendered
to be performed or in respect of tenders to be submitted by him in the
Central Public Works Department† Military Engineer Services/Railways/
..... of the Government of India/.....
(Department/s) of the Government of the State of..... according
to the conditions for submission of tenders or of contracts as the case may
be;

AND WHEREAS the full value of earnest money/security deposit is
liable to be forfeited to the Government on the happening of the contingencies
mentioned in the tenders or in the contracts;

AND WHEREAS the Contractor desires to secure exemption from
payment of earnest money/security deposit with each individual tender and
has offered to furnish a guarantee of the Bank for the sum of Rs.....
to the Government for the purpose of securing such exemption;

AND WHEREAS the Government has agreed to accept the guarantee
of the Bank as herein provided in lieu of the Contractor depositing earnest
money/security deposit with each individual tender or contract.

NOW IT IS HEREBY AGREED BY AND BETWEEN THE PAR-
TIES HERETO AS FOLLOWS : ..

- (1) If the Contractor commits any breach of the terms and condi-
tions of any tender or contract in respect of which the Contractor
has been exempted from depositing the earnest money/security
deposit because of this guarantee furnished by the Bank to the
Government and the Government has become entitled to forfeit
the earnest money/security deposit or any part thereof the Bank
hereby unconditionally and irrevocably agrees and undertakes
to pay to the Government on demand and without demur the
amount of the earnest money/security deposit required to be
furnished by the Contractor under the conditions of the tender
or of the contract in respect of which the breach is committed to
the extent of Rs.....
- (2) We..... Bank Ltd. further agree that the
Government shall be the sole judge of and as to whether the said
Contractor has committed any breach or breaches of any of the
terms and conditions of the tender/or the contract and the extent
of loss, damage, costs, charges and expenses caused to or suffered
by or that may be caused to or suffered by the Government on
account thereof to the extent of the earnest money/security deposit

†Delete those inapplicable.

required to be deposited by the Contractor in respect of the said tender or the contract and the decision of the Government that the said Contractor has committed such breach or breaches and as to the amount or amounts of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government from time to time shall be final and binding on us.

- (3) We, the said Bank further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of all the contracts in respect of which the Contractor has been exempted from making a deposit of the earnest money/security deposit by virtue of this Guarantee and till all the dues of the Government under the said contracts or by virtue of any of the terms and conditions governing the said contracts have been fully and properly carried out by the said Contractor, and accordingly discharges this Guarantee subject, however, that the Government shall have no claim under this Guarantee after.....years from the date of expiry of the Defects Liability Period as provided in the contract which expires last or after expiry of..... years fromday ofwhichever is earlier unless a notice of the claim under this Guarantee has been served on the Bank before the expiry of the said period of..... years in which case the same shall be enforceable against the Bank notwithstanding the fact, that the same is enforced after the expiry of the said period of.....years. PROVIDED, HOWEVER, if the Government thinks that the said period ofyears after the date of the expiry of the Defects Liability Period as provided in the Contract which expires last shall expire after the expiry of the period of..... years from.....day of.....the Bank hereby agrees and undertakes on being called upon by Government to extend the date of validity of this Guarantee for a further period of.....years from the said.....day of.....at least two months before the expiry of the said period of..... years from..... day of..... and if the Bank fails to do so the Bank shall forthwith pay to the Government the said sum of Rs.....
- (4) The Government shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee or Indemnity, from time to time to vary any of the terms and conditions of the said contracts or to extend time of performance by the said Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the said Contractor and either to enforce or forbear from enforcing any of the terms and conditions governing the said contract or securities available to the Government and the said Bank shall not be released from its liability under these presents by any exercise of the Government of the liberty with reference to the matters aforesaid or by reason of time being given to the said Contractor or any other forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor or of any other matter or thing whatsoever which under the law relating to sureties would but for this

provision have the effect of so releasing the Bank from its such liability.

- (5) It shall not be necessary for the Government to proceed against the Contractor before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank notwithstanding any security which the Government may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Bank hereunder be outstanding or unrealised.
- (6) The Contractor hereby agrees and undertakes that if the Govt. has become entitled to forfeit the amount of earnest money/security deposit or any part thereof in respect of any of the contracts for which he has been exempted from payment of earnest money/security deposit by virtue of this Guarantee and if the Government has recovered the said amount of earnest money/security deposit or any part thereof from the Bank under this Guarantee, the Contractor shall forthwith on the happening of any such event arrange to have the amount of the guarantee increased to the said sum of Rs..... as aforesaid and till such time as he furnishes a fresh or further Bank Guarantee bringing the amount of the Bank Guarantee to the said sum of Rs..... the Contractor shall not be entitled to any exemption in respect of payment of any earnest money/security deposit, in respect of any of the tenders submitted by him after the date of forfeiture of any amount of earnest money/security deposit by the Government under any of the said contracts and such amount having been recovered from the Bank under this Guarantee.
- (7) We, the said Bank, lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing and agree that any change in the Constitution of the said Contractor or the said Bank shall not discharge our liability hereunder.

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

Signed and delivered by the
within named.....(Contractor)
in the presence of

- (1)
- (2)

Signed and delivered by the
within named.....Bank in
the presence of

- (1)
- (2)

Signed by Shri.....
(Name and Designation)

for and on behalf of the President of India/
Governor of the State of.....in the presence of

- (1)
- (2)

Note 1

***For Proprietary Concerns**

Shri.....son of.....resident of.....carrying on business under the name and style.....of.....at..... (hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include his heirs, executors, administrators and legal representatives).

For Partnership Concerns

(1) Shrison of..... resident of.....

(2) Shrison of resident of..... carrying on business in co-partnership under the name and style of..... at.....(hereinafter collectively called "the said Contractor" which expression shall unless the context requires otherwise include each of them and their respective heirs, executors, administrators and legal representatives).

For Companies

S/Shri.....a company under the Companies Act 1956 and having its registered office at..... in the State of.....(hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include its successors and assigns).

ANNEXURE F-2

[Form of Bank Guarantee required—General Condition No. 54(c)]

To

The President of India/Governor of the State of.....

In consideration of the President of India/Governor of the State of(hereinafter called "the Government" which expression shall unless repugnant to the subject or context include his successors and assigns) having agreed under the terms and conditions of Contract No.....dated.....made between*and the Government in connection with..... (hereinafter called "the said Contract") to accept a Deed of Guarantee as herein provided for Rs.....from a Scheduled Bank against an advance payment by government of 75% of the cost (as assessed by the Engineer-in-Charge) in respect of.....†.....required after fabrication in accordance with the Contract for incorporation in the works but which have not been brought to site but have been delivered for fabrication to some other workshop or factory of the Contractor, we the..... Bank Ltd. (hereinafter referred to as "the said Bank") a Company under the Companies Act, 1956 and having our registered office at..... do hereby undertake and agree to indemnify and keep indemnified the Government from time to time to the extent of Rs..... (Rupees.....only) against any loss or damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government by reason of the failure of the Contractor to incorporate the said.....†.....or any part thereof in the works after fabrication and to unconditionally pay the amount claimed by the Government on demand and without demur to the extent aforesaid.

2. We.....Bank Ltd. further agree that the Government shall be the sole judge of and as to whether the said Contractor has failed to incorporate the said.....†.....or any part thereof in the works after fabrication and the extent of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government on account thereof and the decision of the Government that the said Contractor has failed as aforesaid and as to the amount or amounts of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government from time to time shall be final and binding on us.

3. We, the said Bank further agree that the Guarantee herein contained shall remain in full force and effect till..... certifies that all the.....†.....in respect of which the said advance payment is made by the Government has been duly incorporated in the works after fabrication and that part of the Contract has been fully and properly carried out by the said Contractor, and accordingly discharges this Guarantee subject, however, that the Government shall have no claim under this Guarantee after.....years from the date of expiry of the Defects Liability Period as provided in the said Contract or from the date of cancellation of the said Contract, as the case may be, unless a notice of the claim under this Guarantee has been served on the Bank before the expiry of the said period of.....years in which case

†Insert name(s) of material(s) concerned.

the same shall be enforceable against the Bank notwithstanding the fact, that the same is enforced after the expiry of the said period of..... years.

4. The Government shall have the fullest liberty without affecting in any way the liability of the bank under this Guarantee or Indemnity, from time to time to vary any of the terms and conditions of the said Contractor to extend time of performance by the said Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the said Contractor and either to enforce or forbear from enforcing any of the terms and conditions governing the said Contract or securities available to the Government and the said Bank shall not be released from its liability under these presents by any exercise by the Government of the liberty with reference to the matters aforesaid or by reason of time being given to the said Contractor or any other forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor or of any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Bank from its such liability.

5. It shall not be necessary for the Government to proceed against the Contractor before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank, notwithstanding any security which the Government may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Bank hereunder be outstanding or unrealised.

6. We, the said Bank, lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing and agree that any change in the Constitution of the said Contractor or the said Bank shall not discharge our liability hereunder.

Dated this.....day of.....196

For and on behalf of the Bank

The above Guarantee is accepted by the President of India/Governor of the State of.....

For and on behalf of the President of India/
Governor of the State of.....

Dated.....

(Name and Designation)

NOTE :

*For Proprietary Concerns

Shri.....son of.....resident of.....carrying on business under the name and style of.....at..... (hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include his heirs, executors, administrators and legal representatives).

For Partnership Concerns

(1) Shri.....son of.....
resident of.....

(2) Shri.....son of.....
resident of.....
carrying on business in co-partnership under the name and style of.....
at.....(hereinafter collectively called
"the said Contractor" which expression shall unless the context requires
otherwise include each of them and their respective heirs, executors,
administrators and legal representatives).

For Companies

S/Shri.....a company under the
Companies Act, 1956 and having its registered office at.....
in the State of.....(hereinafter called "the said
Contractor" which expression shall unless the context requires otherwise
include its successors and assigns).

ANNEXURE F-3

*{Form of Bank Guarantee to secure a lump-sum advance—General
Condition No. 57(c)}*

To

The President of India/Governor of the State of.....

In consideration of the President of India/Governor of the State of.....(hereinafter called "the Government" which expression shall unless repugnant to the subject or context include his successors and assigns) having agreed under the terms and Conditions of Contract No.....dated.....made between.....and the Government in connection with.....(hereinafter called "the said Contract") to make at the request of the Contractor a lump-sum advance of Rs.....for utilizing it for the purpose of the Contract on his furnishing a guarantee acceptable to the Government, we the.....Bank Ltd. (hereinafter referred to as "the said Bank") a company under the Companies Act, 1956 and having our registered office at.....do hereby guarantee the due recovery by the Government of the said advance with interest thereon as provided according to the terms and conditions of the Contract. If the said Contractor fails to utilize the said advance for the purpose of the Contract and/or the said advance together with interest thereon as aforesaid is not fully recovered by the Government, we.....Bank Ltd. hereby unconditionally and irrevocably undertake to pay to the Government on demand and without demur to the extent of the said sum of Rs.....any claim made by the Government on us for the loss or damage caused to or suffered by the Government by reason of the Government not being able to recover in full the said sum of Rs.....with interest, as aforesaid.

2. We.....Bank Ltd. further agree that the Government shall be the sole judge of and as to whether the said Contractor has not utilized the said advance or any part thereof for the purpose of the Contract and the extent of loss or damage caused to or suffered by the Government on account of the said advance together with interest not being recovered in full and the decision of the Government that the said Contractor has not utilized the said advance or any part thereof for the purpose of the Contract and as to the amount or amounts of loss or damage caused to or suffered by the Government shall be final and binding on us.

3. We, the said Bank further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and till the said advance with interest has been fully recovered and its claims satisfied or discharged and till.....certifies that the said advance with interest has been fully recovered from the said Contractor, and accordingly discharges this Guarantee subject, however, that the Government shall have no claim under this Guarantee after.....years from the date of completion of the said Contract, as the case may be, unless a notice of

the claim under this Guarantee has been served on the Bank before the expiry of the said period of.....years in which case the same shall be enforceable against the Bank notwithstanding the fact, that the same is enforced after the expiry of the said period of.....years.

4. The Government shall have the fullest liberty without effecting in any way the liability of the Bank under this Guarantee or Indemnity, from time to time to vary any of the terms and conditions of the said Contract or the advance or to extend time of performance by the said Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the said Contractor and either to enforce or forbear from enforcing any of the terms and conditions governing the said Contract or the advance or securities available to the Government and the said Bank shall not be released from its liability under these presents by any exercise by the Government of the liberty with reference to the matters aforesaid or by reason of time being given to the said Contractor or any other forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor or of any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Bank from its such liability.

5. It shall not be necessary for the Government to proceed against the Contractor before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank notwithstanding any security which the Government may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Bank hereunder be outstanding or unrealised.

6. We, the said Bank lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing and agree that any change in the Constitution of the said Contractor or the said Bank shall not discharge our liability hereunder.

Dated this.....day of.....196.....

For and on behalf of the Bank

The above Guarantee is accepted by the President of India/Governor of the State of.....

For and on behalf of the President of India/
Governor of the State of.....

Dated.....

(Name and Designation)

NOTE :

***For Proprietary Concerns**

Shri.....son of.....resident of.....carrying on business under the name and style of.....at.....(hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include his heirs, executors, administrators and legal representatives).

For Partnership Concerns

(1) Shri.....son of.....
resident of.....

(2) Shri.....son of.....
resident of.....
carrying on business in co-partnership under the name and style of.....
at.....(hereinafter collectively called
"the said Contractor" which expression shall unless the context requires
otherwise include each of them and their respective heirs, executors,
administrators and legal representatives).

For Companies

S/Shri.....a company under the
Companies Act, 1956 and having its registered office at.....
in the State of.....(hereinafter called "the said
Contractor" which expression shall unless the context requires otherwise
include its successors and assigns).

ANNEXURE F-4

*(Form of Bank Guarantee for removal of Plant and Equipment
from the site—General Condition No. 57)*

To

The President of India/Governor of the State of.....

In consideration of the President of India/Governor of the State of.....(hereinafter called "the Government" which expression shall unless repugnant to the subject or context include his successors and assigns) having agreed under the terms and conditions of Contract No.....dated.....made between *.....and the Government in connection with.....(hereinafter called "the said Contract") to permit the Contractor to remove the plant and equipment mentioned in the Schedule hereto hypothecated to Government as security against a loan of Rs.....with interest as provided in the Contract granted to the Contractor by the Government from the site to any other works of the Contractor on his furnishing an acceptable Bank guarantee, we the.....Bank Ltd. (hereinafter referred to as "the said Bank") a Company under the Companies Act, 1956 and having our registered office at.....do hereby undertake and agree to indemnify and keep indemnified the Government from time to time to the extent of Rs.....(Rupees.....only) against any loss or damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government by reason of the Contractor failing to bring back to the site the said plant and equipment or any part thereof and to unconditionally pay the amount claimed by the Government on demand and without demur to the extent aforesaid.

2. We.....Bank Ltd. further agree that the Government shall be the sole judge of and as to whether the said Contractor has failed to bring the said plant and equipment or any part thereof back to the site and the extent of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government on account thereof and the decision of the Government that the said Contractor has so failed and as to the amount or amounts of loss, damage, costs, charges and expenses caused to or suffered by or that may be caused to or suffered by the Government from time to time shall be final and binding on us.

3. We, the said Bank further agree that the Guarantee herein contained shall remain in full force and effect till the said plant and equipment have been brought back to the Site or till the said loan of Rs.....with interest is fully repaid to the Government, whichever is earlier and till.....certifies that the said plant and equipment have been brought back to the site or the said loan of Rs.....with interest has been repaid in full, and accordingly discharges this Guarantee subject, however, that the Government shall have no claim under this Guarantee after.....years from the date of completion of the Contract or from the date of cancellation of the said Contract, as the case

may be, unless a notice of the claim under this Guarantee has been served on the Bank before the expiry of the said period of.....years in which case the same shall be enforceable against the Bank notwithstanding the fact, that the same is enforced after the expiry of the said period of.....years.

4. The Government shall have the fullest liberty without affecting in any way the liability of the Bank under this Guarantee or Indemnity, from time to time to vary any of the terms and conditions of the said Contract or the loan or to extend time of performance by the said Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the said Contractor and either to enforce or forbear from enforcing any of the terms and conditions governing the said Contract or securities available to the Government and the said Bank shall not be released from its liability under these presents by any exercise by the Government of the liberty with reference to the matter aforesaid or by reason of time being given to the said Contractor or any other forbearance, act or omission on the part of the Government or any indulgence by the Government to the said Contractor or of any other matter or thing whatsoever which under the law relating to sureties would but for this provision have the effect of so releasing the Bank from its such liability.

5. It shall not be necessary for the Government to proceed against the Contractor before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank, notwithstanding any security which the Government may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Bank hereunder be outstanding or unrealised.

6. We, the said Bank lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the Government in writing and agree that any change in the Constitution of the said Contractor or the said Bank shall not discharge our liability hereunder.

Dated this.....day of..... 196....

For and on behalf of the Bank

The above Guarantee is accepted by the President of India/Governor of the State of.....

For and on behalf of the President of India/
Governor of the State of.....

Dated.....

(Name and Designation)

NOTE :

**For Proprietary Concerns*

Shri.....son of.....resident of.....carrying on business under the name and style of.....at.....(hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include his heirs, executors, administrators and legal representatives).

For Partnership Concerns

(1) Shri.....son of.....
resident of.....

(2) Shri.....son of.....
resident of.....
carrying on business in co-partnership under the name and style of.....
at.....(hereinafter collectively called "the
said Contractor" which expression shall unless the context requires otherwise
include each of them and their respective heirs, executors, administrators
and legal representatives).

For Companies

S/Shri.....a company under the
Companies Act, 1956 and having its registered office at.....
in the State of.....(hereinafter called "the
said Contractor" which expression shall unless the context requires otherwise
include its successors and assigns).

ANNEXURE F-5

[Form of Hypothecation Deed—General Condition No. 57(b)]

THIS INDENTURE made this.....day of.....
196..between.....of the one part and the President
of India/Governor of the State of.....hereinafter called
"the Government" which expression shall unless the context requires other-
wise include his successors and assigns of the other part;

WHEREAS under Condition 57(b) of the General Conditions of Con-
tract relating to the Contract No.....entered into between the
Government and the Contractor, the Contractor has applied to the Govern-
ment for a loan of Rs.....(Rupees.....only)
for plant and equipment described in the Schedule hereto specifically acquired
by the Contractor for the works and brought to site.

AND WHEREAS one of the conditions on which the said loan of
Rs.....is to be granted by the Government to the Con-
tractor is that the Contractor shall hypothecate the plant and equipment
described in the Schedule hereto in favour of the Government as security
for the due repayment of the said loan;

AND WHEREAS the Contractor has represented that he is the owner
of the plant and equipment described in the Schedule hereto.

NOW THIS INDENTURE WITNESSETH THAT in pursuance of
the said agreement and in consideration of the premises the Contractor
doth hereby hypothecate, assign and transfer to the Government the plant
and equipment described in the Schedule hereto to the intent that the same
shall remain and form security for repayment to the Government of the
said loan of Rs.....together with the interest thereon
at.....% per annum.

1. The Contractor hereby agrees, declares and covenants with the
Government as follows :

- (a) The Contractor shall repay to the Government the said loan
of Rs.....(Rupees.....only) together
with interest thereon as aforesaid by.....and agrees
that the said loan be recovered by the Government by making
deductions in the manner provided in Condition 57 of the General
Conditions of Contract and other conditions of the contract
from the claims made by the Contractor against the Government
for on account payment.
- (b) The Contractor has paid in full the purchase price of the plant
and equipment described in the Schedule hereto and each and
every one of them and that the same are the absolute property
of the Contractor and that the same have not been sold, pledged;
mortgaged or transferred or in any way dealt with by the Con-
tractor.
- (c) So long as any amount remains payable to the Government by
the Contractor in respect of the said loan of Rs.....

the Contractor shall not sell, pledge, hypothecate, transfer, part with or in any way deal with the plant and equipment described in the Schedule hereto.

- (d) If the said loan of Rs.....shall not be repaid by the Contractor or recovered in the manner described above by the said.....day of.....due to any reason whatsoever or the said Contract has been determined earlier or cancelled or if the Contractor shall sell, pledge, mortgage, transfer, part with or in any way deal with the said plant and equipment or any part thereof or the Contractor or any of the partners is adjudged insolvent or the contract is to be wound up or makes any composition or arrangement with its creditors or the Contractor shall commit breach of any of the terms and conditions or covenants as herein contained or if any of the said plant and equipment or if any other property whatsoever belonging to the Contractor has been sold or attached for a period of not less than 21 days in execution of the decree of any court for payment of money, the whole of the said loan of Rs.....or such part thereof as may have remained unpaid or unrecovered together with interest thereon shall forthwith become due and payable.
- (e) The Government may on the happening of any of the events mentioned in the preceding clause (d) or in the event of the said loan or any part thereof becoming due and payable and has not been paid or recovered or cannot be recovered as provided in the said conditions, seize and take possession of the said plant and equipment (and either remain in possession thereof without removing the same or else may remove the same) and sell the said plant and equipment or any of them either by public auction or private contract and may out of the sale proceeds retain the balance of the said loan and interest then remaining unpaid and unrecovered and all costs, charges and expenses and payments incurred or made in maintaining, defending or protecting the rights of the Government hereunder and shall pay over the surplus, if any, to the Contractor.
- (f) The Contractor shall at all times during the continuance of the security and at the expense of the Contractor insure and keep insured the plant and equipment described in the Schedule hereto for the full value thereof in the joint names of the Contractor and the Government with an insurance company to be approved by the Engineer-in-Charge against the risk of loss or damage from whatever cause arising other than the Excepted Risks. During the continuance of the security the Contractor shall pay all premia and sums of money necessary for keeping such insurance on foot and the insurance policy and receipts in original for premia paid shall be deposited with the Engineer-in-Charge. The Contractor shall assign all his right, title and interest in the policy to the Government.
- (g) The Contractor shall not permit or suffer the said plant and equipment or any part thereof to be destroyed or damaged or used or to be used or to deteriorate in a greater degree than it would deteriorate by reasonable wear and tear thereof in the performance of the Contract.

(h) In the event of any damage or loss happening to the said plant and equipment or any part thereof from whatever cause other than the Excepted Risks the Contractor shall forthwith have the same repaired or replaced as the case may be or arrange for payment of the entire amount recovered or to be recovered from the insurance company to the Government towards the payment of the said loan of Rs.....

2. Upon repayment or recovery in full of the amount secured on account of this hypothecation deed the said plant and equipment secured here under shall stand released from hypothecation but this is without prejudice to the right of the Government under any other Conditions of the Contract.

SCHEDULE ABOVE REFERRED TO

Sl. No.	Particulars of Plant and Equipment	Nos.	Purchase price/ price considered reasonable by Engineer-in-Charge	Total price	Advance (75% of Col. 5)
1	2	3	4	5	6

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

Signed and delivered by the within named.....(Contractor)

in the presence of

(1)

(2)

Signed by Shri.....

(Name and Designation)

For and on behalf of the President of India/
Governor of the State of.....

in the presence of

(1)

(2)

NOTE :

***For Proprietary Concerns**

Shri.....son of.....resident of.....carrying on business under the name and style of.....at..... (hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include his heirs, executors, administrators and legal representatives).

For Partnership Concerns

(1) Shri.....son of..... resident of.....

(2) Shri.....son of..... resident of..... carrying on business in co-partnership under the name and style of..... at.....(hereinafter collectively called "the said Contractor" which expression shall unless the context requires otherwise include each of them and their respective heirs, executors, administrators and legal representatives).

For Companies

S/Shri.....a company under the Companies Act, 1956 and having its registered office at..... in the State of.....(hereinafter called "the said Contractor" which expression shall unless the context requires otherwise include its successors and assigns).