

# **TENDER DOCUMENTS**

FOR

**PROVIDING BARBED WIRE FENCING**

**EFFLUENT TRETMENT PLANT**

**AT JAWAHAR AUTO NAGAR, VIJAYAWADA**

For

**Vijayawada Auto Cluster Development  
Company Limited**

**A.T.A. Hall, Jawahar Auto Nagar, Vijayawada**

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## VIJAYAWADA AUTO CLUSTER DEVELOPMENT COMPANY LIMITED

## TENDER DOCUMENTS

**Ref: - Tender Notice No: VACDCL / ETP /Civil Works / Dated: 20-11-2012**

**Name of the Work:**

**Estimated Value of Works of this Tender is Rs. 4.00 lakhs (SSR 2012-13)**

**VOLUME – 2 SHALL CONTAIN THE FOLLOWING**

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# VACDCL

## INVITATION TO TENDER

TENDERER

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Chief Executive Officer  
VACDCL  
Vijayawada

**VIJAYAWADA AUTO CLUSTER DEVELOPMENT COMPANY LIMITED (VACDCL)**

Automobile Technicians' Association (A.T.A.) Hall,  
Jawahar Auto Nagar, VIJAYAWADA - 520 007  
ANDHRA PRADESH

Tel. / Fax: - 0866 - 254 2852

Email: - [vjacluster@vsnl.net](mailto:vjacluster@vsnl.net), Website: - [www.vjautocluster.com](http://www.vjautocluster.com)

**TENDER NOTIFICATION No.: - VACDCL / ETP CIVIL WORKS / Dt. 20-11-2012**

1. The Vijayawada Auto Cluster Development Project is sanctioned by Government of India under Industrial Infrastructure Up-gradation Scheme (IIUS) for infrastructure development
2. VACDCL intends to take up the work of Providing Barbed wire fencing around Effluent Treatment Plant at Autonagar, Vijayawada.
3. For and on behalf of VACDCL, the undersigned invites in two cover system as per G.O. Ms. No. 94, Dt. 01-07-2003, Tenders in sealed covers duly super-scribed with Tender notification number & date of opening sealed cover from reputed **Civil Contractors having Fifth Class and above with Valid Registrations issued by competent authority** as per G.O. Ms. No. 521, Dt. 10-12-1984 and as per G. O. Ms. No. 94 dt. 01-07-03, for execution of Civil Works and having adequate experience in similar type of works, which shall be finalized on the **basis of Schedule of Percentage Tender as per G.O.Ms. No. 94, Dt. 01-07-2003. The Bidders will have to state clearly their willingness to execute the works at the Percentage excess or less or at par with the Estimate Contract Value indicated in Schedule - A**
4. Bidders who are having registered with the Government of A.P. or other State Governments / Government of India, or State / Central Government Undertakings can also participate in Tenders.
5. C.E.O., VACDCL invites bids for the construction of works detailed in the annexure. The Bidders may participate for any or all of the said works, mentioned in the annexure.
6. Tender Documents may be purchased from the Office of the C.E.O., VACDCL **from dt. 20-11-2012 to 03-12-2012 during office hours**. For obtaining Tender Documents a non-refundable fee as indicated, in the form of Crossed Demand Draft on any Scheduled Bank payable at Vijayawada in favour of the **Vijayawada Auto Cluster Development Company Limited, Vijayawada**. Interested Bidders may obtain further information at the same address.
7. Filled in Tender Documents must be accompanied by security amount @ 1% on Estimated Cost of Value specified for the work in the annexure, drawn in favour of **Vijayawada Auto Cluster Development Company Limited, Vijayawada** in the form of a Crossed Demand Form issued by a Nationalized bank or in the Form of a Bank Guarantee and shall have to be valid **for 45 days** beyond the validity of the bid.
8. Filled in Tender Documents must be delivered to the Chief Executive Officer, VACDCL, Vijayawada in person dropped into the Tender Box placed for this purpose, on or before **03 - 00 PM on 03-12-2012 and will be opened on the same day at 03 - 30 PM**, in the presence of the Bidders / or their representatives who wish to attend. If the office happens to be closed on the last date of receipt of the bids as specified, the bids will be received and opened on the next working day at the same time and venue.
9. Filled in Tender Documents sent / received through Post are not accepted.
10. Bid Documents shall be valid for a period of **90 days**.
11. Conditional Tenders will not be accepted.
12. Other details can be seen in the Tender documents.

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**VACDCL**

INSTRUCTIONS TO TENDERERS

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**INSTRUCTIONS TO TENDERERS****A. GENERAL****IT 1. DESCRIPTION OF THE WORKS**

- 1.1 The works under this Contract constitute a part of the project i.e. **Common Effluent Treatment Plant at Jawahar Autonagar – Providing Barbed wire Fencing all around ETP Building**

The works to be carried out include the following: -

**The Specifications of Items of work shall be as per Andhra Pradesh State Standard Specifications and Latest Relevant I. S. Codes of Earth Work, Cement Concrete, Reinforcement Steel etc.**

1. Earth Work Excavation in Normal Soils.
2. Providing and Laying P.C.C. 1:5:10
3. Providing and Laying P.C.C. 1:3:6.
4. Providing and Laying R.C.C 1:2:4
5. Refilling the Foundations in Useful excavated earth
6. RCC Poles with Steel Structures

**IT 2. ELIGIBILITY AND QUALIFICATION REQUIREMENTS**

- 3.1 This invitation to tender is open only to all eligible, reputed and registered **Civil Contractors having First Class and above with Valid Registrations issued by competent authority** as per G.O. Ms No.521, Dt. 10 - 12 – 1984, for execution of Civil Works & Water Supply Works and having adequate experience in similar type of works, at Jawahar Auto Nagar and Industrial Estate of Vijayawada, Andhra Pradesh, which shall be executed on the **basis of Schedule of Percentage Tender. The Bidders will have to state clearly their willingness to execute the works at the Percentage excess or less or at par over the Estimate Contract Value indicated in Schedule – A.** A higher-class contractor is allowed to tender for works falling in lower class without getting himself registered in the lower category.

- 3.3 Each Tenderer must enclose Sales Tax Clearance Certificate from the appropriate authorities in the form prescribed there-for for the year 2011-12.
- 3.4 The Sub-contractors / GPA holders experience shall not be taken into account in determining the bidders compliance with the qualifying criteria.

**IT 4. COST OF TENDERING**

- 4.1 The Tenderer shall bear all expenses associated with the preparation and submission of his tender and the VACDCL shall in no case be responsible or liable for reimbursement of such expenses, regardless of the conduct or outcome of the tendering process.

**IT 5. SITE VISIT**

- 5.1 The Tenderer is advised to visit and examine the site of the works and its surroundings and obtain for himself on his own responsibility all information that may be necessary for preparing the tender and entering into a contract. The costs of any such visits shall be entirely at the Tenderer's own expense.

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- 5.2 The Tenderer and any of his personnel or agents will be granted permission by the VACDCL to enter upon their premises and lands for the purpose of such inspections, but only upon the express condition that the Tenderer, his personnel or agents, will release and indemnify the VACDCL and their personnel and agents from and against all liability in respect thereof and will be responsible for personal injury (whether fatal or otherwise), loss of / or damage to property and any other loss, damage, costs and expenses that may arise however caused, which, but for the exercise of such permission would not have arisen.

**IT 13. TENDER VALIDITY**

- 13.1 Tenders shall remain valid and open for acceptance for a period of **90 days** after the date of tender opening prescribed in IT-22.
- 13.2 In exceptional circumstances, prior to expiry of the original tender validity, the VACDCL may request the Tenderer for a specified extension in the period of validity. The request for any extension, and the responses thereto, shall be in writing or cable. A Tenderer may refuse the request without forfeiting his EMD. A Tenderer agreeing to the request will not be required or permitted to modify his tender, but will be required to extend the validity of his EMD.

**IT 14. EARNEST MONEY DEPOSIT, ITS FORFEITURE AND PENAL ACTION**

- 14.1 Along with the tender documents, the tenderers shall deposit an amount of **equal to 1.00 % of the Tender Value as Earnest Money deposit**. As an alternative the tenderer may furnish a Bank Demand Draft or an unconditional Bank Guarantee from a Scheduled Bank / Nationalized Bank issued on behalf of the tenderer. In case of a tender by a Joint Venture the Bank Guarantee should be on behalf of all the constituents of the Joint Venture. The Bank Guarantee should be valid for a minimum period of **30 days** beyond the period of validity of the tender stipulated in IT 13.1 above. In case the tenderer extends the period of the validity of this tender, he shall take steps to extend the Bank Guarantee for a further period equal to the period of extension of the validity of the tender. Where a cash deposits is made towards Earnest Money it should be accompanied by a letter signed by the tender (and in case of a Joint Venture by all the constituents of Joint Venture) agreeing that the money should be retained as Earnest Money and be liable to forfeiture in terms of IT 14.5 and IT 14.2. **If tender documents are not accompanied by an Earnest Money Deposit or a Bank Guarantee as specified above, the tender documents will be rejected.**
- 14.2 The EMD of an unsuccessful Tenderer will be discharged / returned after an agreement is entered into with the Tenderer whose tender has been accepted.
- 14.4 **The EMD of any successful Tenderer who has furnished the EMD in the form of a Bank Guarantee will be discharged when the Tenderer has signed the Form of Agreement and furnished the required Security Deposit.**
- 14.5 The EMD shall be forfeited:
- a) If the Tenderer fails to submit the tender on the due date of receipt of tender as specified.
  - b) If a Tenderer modifies or withdraws his Tender during the period of tender validity; or, as described in IT 21.4.
  - c) In the case of a successful tender, if, within the specified time limit, the Tenderer fails to;
    - i) sign the agreement ; or
    - ii) furnish the required Security Deposit;

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- d) If, pursuant to Clause IT 26, the Tenderer does not accept the correction of his tender premium / discount.
- 14.6 A Tenderer who withdraws his tender without a valid reason (to be decided by the authority competent to accept the tender) shall be disqualified for tendering further works in the VACDCL.
- 14.7 A Tenderer who has paid EMD along with application and not submitted the tender without sufficient reasons will be disqualified and treated as non responsive.

#### **D. SUBMISSION OF TENDERS**

##### **IT 18. SEALING AND MARKING OF TENDERS**

- 18.1 The signed documents shall be submitted in sealed covers
- 18.3 The completed Tender shall be sent to the following address to arrive before the time and date specified for receiving the tenders (see Sub-clause IT 19.1). The above sealed tenders are to be submitted in the tender box placed in the following venue.

**Chief Executive Officer  
Vijayawada Auto Cluster Development Company Limited  
Automobile Technicians' Association (A.T.A.) Hall  
Jawahar Auto Nagar  
Vijayawada – 520 007.**

- 18.4 Tenders not submitted in the proper form or in due time, will be rejected. No alterations which have been made by the Tenderer in the Form of Contract, the Conditions of the Contract, the Specification Drawings, Specifications or quantities accompanying the same, will be recognised, and if any such alterations have been made, the tender will be void.

##### **IT 19. DEADLINE FOR SUBMISSION OF TENDERS**

- 19.1 Tenders shall be received in the office of the officer designated in Sub-clause IT 18.3 up to **3:30 PM on 03-12-2012**. They may be deposited in the tender box expressly provided for the purpose. **Filled in Tenders received by Post will not be accepted. They shall be dropped in the Tender box as specified above, in-person only.** If for any reason the date for submission of tenders is declared a holiday the next working day will be treated as the last date for submission of tenders.
- 19.2 The tender should be in the prescribed form as described in IT 10.
- 19.3 The VACDCL may, at its discretion, extend the dead line for submission of the tenders by issuing an amendment in accordance with Clause IT 8, in which case all rights and obligations of the VACDCL and of the Tenderers which were previously subject to the original dead line shall thereafter be subject to the new dead line as extended.

##### **IT 20. LATE TENDERS**

- 20.1 Any tender received after the deadline for submission of tender as stated in Clause IT 19, or, as subsequently extended by the VACDCL, will be returned to the Tenderer unopened.

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**IT 21. WITHDRAWAL OF TENDERS**

- 21.1 The Tenderer may withdraw his tender after tender submission, provided that the notice of withdrawal is received in writing by the VACDCL prior to the prescribed dead line for submission of tenders.
- 21.2 The Tenderer's notice of withdrawal shall be prepared, sealed, marked and delivered in accordance with provision of IT 18.3 for submission of tender, with the envelope marked "Withdrawals".
- 21.3 No tender may be withdrawn after the deadline for submission of tenders.
- 21.4 Withdrawal of a tender by a Tenderer during the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified in the Form of Tender shall result in the forfeiture of the EMD pursuant to Clause IT14.

**E. TENDER OPENING AND EVALUATION****IT 22. TENDER OPENING**

- 22.1 The Chief Executive Officer, VACDCL or authorized officer designated by the Chief Executive Officer, VACDCL will open **at 3 – 30 PM on 03-12-2012** in the presence of any of the Tenderers' or their representatives who choose to attend, all of whom sign a register as evidence of their attendance.

**IT 34. SECURITY DEPOSIT AND WITHHELD AMOUNTS**

- 34.1** Within 7 days of receipt of the Letter of Acceptance from the Chief Executive Officer, VACDCL, Vijayawada, the successful Tenderer shall furnish the VACDCL Security Deposit in the form of crossed Demand Draft or a Bank Guarantee which shall be to **the value of two and half percent (2 ½ of the contract price valid for a total period of execution plus defect liability period of 180 days.**
- 34.2 The Bank Guarantee shall be issued by any Scheduled Bank / Nationalized Bank located in India, as chosen by the Tenderer.
- 34.3 Within 7 days of receipt of the letter of acceptance from the Chief Executive Officer, VACDCL, Vijayawada, if the tender of the successful Tenderer is less by more than 15% of the estimated cost of the work to be executed, the Tenderer shall furnish extra security deposit in the form of a Bank Guarantee or Demand Draft for the difference between the tender amount and the 85% of the estimated value of the works.
- 34.4 The Security Deposit for the works shall be returned to the Contractor at the end of defects liability period, subject to the satisfactory performance of the contract in all respects, less any dues owing from the contract.

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**VACDCL**

**VOLUME – 2**

**PRICE BID**

**SECTION – III**  
**CONDITIONS OF CONTRACT**  
**GENERAL CONDITIONS OF CONTRACT**

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**SECTION – III****CONDITIONS OF CONTRACT****PREFACE**

The Conditions of Contract comprises two parts, namely:

- Part I : General Conditions of Contract (Preliminary Specifications)
- Part II : Conditions of Particular Application.

**PART I : GENERAL CONDITIONS OF CONTRACT**

The General Conditions of Contract, which comprise Part -I are the same as the preliminary specifications in Andhra Pradesh Standard Specifications, hereinafter called APSS.

**A. PREFACE**

1. Intent and reference to Andhra Pradesh Standard Specifications: It is intended by these Andhra Pradesh Standard Specifications to describe.
  - a) the character of the materials to be used;
  - b) the method of execution of work; and
  - c) the contractor's responsibilities and liabilities to the VACDCL, and his Workmen and general contract conditions which are to be accepted by every contractor who executes work entrusted to him by the VACDCL of Andhra Pradesh.

Wherever the term "Standard Specification". or the abbreviation "A.P.S.S." is used in estimates or contract documents, it shall refer to the relevant specification in the Andhra Pradesh Specification book and its addenda volume

2. *Applicability of the Andhra Pradesh Standard Specifications:* It shall be unnecessary to include in any contract documents a specification for any item of work, which is defined in the tender notice or in the contract schedule of work to be done, by a standard specification number. The fact that the item is defined as standard specification shall mean that the Contractor executes the work according to such standard specification. Modified, as may be necessary by an addendum specification for that particular item of work.

This preliminary specification shall apply to all agreements entered into by contractors with the VACDCL and shall form an inseparable condition of contract, and it shall not be necessary to append a copy of the same to agreement.

3. *Contractor to sign in the Divisional (or Sub-Divisional) copy of the A.P.S.S:* Every contractor who executes work for the VACDCL shall carefully study the standard specification for all items of work which are included in the schedule for work to be done as standard specifications and his obligations under the "Preliminary Specification" which apply to all agreements, and he shall sign in the Divisional office Copy of the A.P.S.S. (or the Sub-divisional copy if so arranged by the Chief Executive Officer, VACDCL ) as evidence that he understands clearly the conditions of contract governing his agreement and accepts the same.

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It shall not be necessary for the contractor to sign the Divisional office copy of the A.P.S.S for every contract awarded to him, but his signature therein will be evidence that he accepts the conditions of contract (which includes the standard specifications) as detailed in the A.P.S.S for contract into which he enters. It shall also be the contractor's responsibility by frequent perusal of the Divisional office (or the Sub-Divisional office) copy to become conversant with sanctioned alterations or additions made to the A.P.S.S. as soon as they are made. A separate volume of addenda to the A.P.S.S. will be maintained in each Division (or Sub-Division office as the case may be) in which will be entered all sanctioned corrections and additions. This must also be studied and signed by every contractor before executing an agreement. Interleaving correction slips will not be made for this purpose. The contractor should purchase a book of the A.P.S.S. for his reference while executing work.

4. *Term "Specification" apart from "Standard Specification":* Wherever the term "Specification" is used in contract documents apart from "Standard Specification", it shall mean the specification or plan prepared for the particular item referred to in the document, for the instruction of the contractor in executing that item of work.
5. *Sub-specifications:* Works of a similar nature having many common clauses in their specifications are grouped under one specification number with a "General", preface thereto, and the sub-specifications are therefore given an alphabetical affix.
6. *Addition and alterations to the standard specifications in the A.P.S.S.:* Which do not involve legal implications will be approved by the Chief Executive Officer, VACDCL. The VACDCL will approve additions and alterations to the preliminary specifications and standard forms in the A.P.S.S.

Delete the Clause.

7. *Powers of the Chief Executive Officer, VACDCL, Vijayawada to supplement or alter the A.P.S.S:* Chief Executive Officer, VACDCL s may alter the standard specifications for any particular contract, which is within their respective powers of sanction -when such alteration is found necessary, by attachment of a correction sheet to the contract form, bearing the standard specification number, the corrections and the signature of the Superintending or the Chief Executive Officer, VACDCL as the case may be, together with the signature of the contractor. Similarly additional specifications for items for which there are no standard specifications will be made by attachment to the contract documents of addendum specification sheets bearing the signature of the contractor.

*Technical Specification:* The work shall be carried out in accordance with the specifications incorporated in the Technical Specifications included in the Tender / Contract Documents.

8. *Definition of terms:* Wherever the words defined in this clause or pronouns used in their stead occur in contract documents (which include the A.P.S.S.), they shall have the meanings here given.
  - a) *Chief Executive Officer, VACDCL:* Wherever the term Chief Executive Officer, VACDCL is used, it shall be understood to refer the Chief Executive Officer, VACDCL for the time being in charge of the concerned work under execution or such other departmental assistants or subordinates to whom the Chief Executive Officer, VACDCL may have delegated certain duties, acting severally within the scope of the particular duty entrusted to them.
  - b) *No delegation by Chief Executive Officer, VACDCL or higher authority which affects agreement:* It is however, to be distinctly understood that the Chief Executive Officer, VACDCL or the higher authority who is vested with the powers of acceptance of the

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particular agreement under reference will make delegation of powers to such assistants or subordinates which in any way affects the agreement and its contract conditions when such agreement is to be or has been accepted by the Chief Executive Officer, VACDCL or by the other higher authority respectively. The duties of such assistants or subordinates will be solely duties of supervision to ensure compliance with contract conditions.

- c) *Contractor:* Wherever the term "Contractor" is used, it shall be understood to refer to the particular person, firm or corporation with whom an agreement has been made by the Chief Executive Officer, VACDCL or higher authority as the case may be, for executing work defined in the concerned agreement, and for purposes of instructions regarding compliance with contract conditions, it shall include the contractor's authorized agent, who is maintained on the work by the contractor. When two or more contractors are engaged on installation or construction work in the same vicinity, the Chief Executive Officer, VACDCL shall be authorized to direct the manner in which each shall conduct the work so far as it affects other contractors.

**Note:** *The term Chief Executive Officer, used in the following clauses shall, where the context so requires, be construed as including officers of the corresponding grade in the Highways Department.*

9. *Evidence of experience:* Tenderers shall, if required, present satisfactory evidence to the *Chief Executive Officer, VACDCL* that they have been regularly engaged in constructing such works as they propose to execute and that they are fully prepared with the necessary capital, machinery and materials to begin the work promptly and to conduct it as required by the A.P.S.S. and the other specifications for the particular work tendered for, in the event of their tender being accepted.
10. *Legal address-Notices-* Tenderers should give in their tender, their place of residence and postal address. The delivering at the above named place or posting in a post-box regularly maintained by the Post Office Department or sending by letter registered for acknowledgement of any notice, letter or other communication to the contractor shall be deemed sufficient service thereof upon the contractor in writing as may be changed at any time by an instrument executed by the contractor and delivered to the *Chief Executive Officer, VACDCL*.  
Nothing contained in the agreement and its contract conditions shall be deemed to preclude or render inoperative the service of any notice, letter, or other communication upon the contractor personally.
11. *Approximate not to mean deviation from Specification Drawings and specifications:* This declaration of the approximate nature of the statement of quantities in Schedule A does not, however, in any way imply that the quantities will be increased for departure by the contractor from strict compliance with sanctioned Specification Drawings and specifications to suit his own convenience or reduce his costs.
12. *To compare tenders:* The quantities in Schedule-A are given to give an idea about the nature of work involved and the tenders are compared with the tender premium/discount quoted in Part-I of the Bill of Quantities (Schedule A)".

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**B. SPECIFICATION DRAWINGS AND SPECIFICATIONS**

14. *Purpose:* The contract Specification Drawings if any read together with the contract specification are intended to show and explain the manner of executing the work and to indicate the type and class of material to be used.

15. *Conformance:*

- a) The works shall be carried out in accordance with the directions and to the reasonable satisfaction of the Chief Executive Officer, VACDCL in accordance with the Specification Drawings and specifications which form part of the contract and in accordance with such further Specification Drawings, details and instructions, supplementing or explaining the same as may from time to time be given by the Chief Executive Officer, VACDCL.
- b) If the work shown on any such further Specification Drawings or details, or other work necessary to comply with any such instructions, directions or explanations, be in the opinion of the contractor, of a nature which the schedule rate in the contract does not legitimately cover, he shall before proceeding with such work, give notice in writing to this effect to the Chief Executive Officer, VACDCL. In the event of the Chief Executive Officer, VACDCL and the contractor failing to agree as to whether or not there is any excess rate to be fixed and the Chief Executive Officer, VACDCL deciding that the contractor is to carryout the said work, the contractor shall accordingly do so, and the question whether or not there is any excess, and if so the amount thereof, shall, failing agreement, be settled by an arbitrator as provided in the arbitration clause, unless the subject is one which is left to the sole discretion of the Chief Executive Officer, VACDCL under the clauses of this preliminary specification, and the contractor shall be paid accordingly.
- c) It shall be the responsibility of the contractor to give timely notice to the Chief Executive Officer, VACDCL regarding anything shown on the Specification Drawings and not mentioned in the specifications, or mentioned in the specifications and not show on the Specification Drawings, or any error or discrepancy in Specification Drawings or specifications and obtain his order thereon. Figured dimensions are to be taken and not those obtained from scaling the Specification Drawings. In any discrepancy between Specification Drawings and specifications, the latter shall prevail. In any such case or in case any feature of the work is not fully described and set forth in the Specification Drawings and specifications, the contractor shall forthwith apply to the Chief Executive Officer, VACDCL for such further instructions, Specification Drawings, or specifications as he requires, it being understood that the subject is to be dealt with under building procedure of best modern practice. The Chief Executive Officer, VACDCL will furnish the further instructions, Specification Drawings, or specifications, if in his opinion, they are required by competent workmen, for the proper execution of the work.

16. *Variations by way of modifications, omissions or additions:*

- a) For all modifications, omissions from or additions to the Specification Drawings and specifications, the Chief Executive Officer, VACDCL will issue revised plans, or written instructions, or both and no modification, omission or addition shall be made unless so authorized and directed by the Chief Executive Officer, VACDCL in writing.
- b) The Chief Executive Officer, VACDCL shall have the privilege of ordering modifications, omission or additions at any time before the completion of the work and such order shall not operate to annul those portions of the specifications with which said changes do not conflict.

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17. *Copies of Specification Drawings and specifications:* One copy of the available Specification Drawings and specifications for (apart from the A.P.S.S. a copy of which the contractor should purchase for his reference) shall be furnished free of cost to the contractor for his own use. Such copies and copies of supplementary details furnished by the Chief Executive Officer, VACDCL shall be kept on the work until the completion thereof, and the Chief Executive Officer, VACDCL shall at all times have access to them.
18. *Signed Specification Drawings - No authority to the contractor:* No signed drawing shall be taken as in itself an order for variation, unless either it is entered in the agreement schedule of Specification Drawings under proper attestation of the contractor and the Chief Executive Officer, VACDCL or unless it has been sent to the contractor by the Chief Executive Officer, VACDCL with a covering letter confirming that the drawing is an authority for variation for the contract under reference.
19. *Finished sizes:* The whole of the specified or figured dimensions or Specification Drawings are to be finished sizes, after dressing or planning or cutting, subject however to the condition that, unless marked "net," 1.5mm will be allowed for planning for each planed finished surface of wood work, when the contractor is permitted to use carefully sawed market size cut scantlings. This allowance will only be permitted in the case of sections 15mm thick or over. The figure dimensions of masonry walls and reinforced concrete are exclusive of the thickness of plaster or skirting or cement or wall linings, unless otherwise specifically stated.

### C. MATERIALS AND WORKMANSHIP

20. *To be the best quality:* All materials, articles, and workmanship shall be the best of their respective kinds for the class of work described in the contract specification and schedule, materials being obtained from sources approved by the Chief Executive Officer, VACDCL. The word "best" as used in these specifications shall mean, that in the opinion of the Chief Executive Officer, VACDCL there is no superior quality of material or finish of articles on the market and that there is no better class of workmanship available for the nature of the particular item described in the contract schedule. The contractor shall, upon the request of the Chief Executive Officer, VACDCL furnish him with the vouchers to prove that the materials are such as are specified.

Samples of materials shall be furnished at the contractor's expense to the Chief Executive Officer, VACDCL when called for in the tender notice or ordered to be furnished by the Chief Executive Officer, VACDCL prior to execution of any work.

21. *Conventions for proportions:* Wherever the proportions are written by figures without further description and there the meaning is otherwise clear as to which figures is intended to apply to each material, then the usual conventions will be understood to apply:  
For example:  
1:2 means 1 lime (or cement in accordance with the context) and 2 sand;  
1:2:4 means 1 lime (or cement in accordance with the context), 2 sand, and 4 broken stone (or other aggregate in accordance with the context).
22. *Measurement and mixing:* In the case of loose materials such as lime, sand, cement broken stone, surki, mortar, etc., the proportions demanded by the specifications must be measured in properly constructed measuring boxes, or in such other manner as shall be instructed by the Chief Executive Officer, VACDCL. Measurement is not to be done in loose heaps when intimate mixtures such as mortar, concrete, etc., are to be formed. The mixing must always

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be done on closely constructed platforms so that there will be no leakage of any of the materials through the floor of the platform and also so that no foreign material can be incorporated during the mixing. These platforms must be approved by the Chief Executive Officer, VACDCL. The cost of such measuring boxes and platforms and all the work referred to herein shall be borne by the contractor.

23. *Data:* The materials and labour utilised in the execution of work by the contractor shall not be less than that given in the A.P. P.W.D. standard data for the relevant item.
24. *Layout of material stacks:* The contractor shall deposit materials for the purpose of the work on such parts only of the ground as may be approved by the Chief Executive Officer, VACDCL. He shall submit, for the approval of the Chief Executive Officer, VACDCL before starting work, a detailed site survey clearly indicating positions and areas where materials shall be stacked and sheds built.
25. *Source of purchase of materials and stores:* The Chief Executive Officer, VACDCL shall, during the progress of the work, have power to cause the contractor to purchase and use such materials, or supplies from VACDCL brick-fields, stores or other sources as may be specified in the contract, for the purpose therein specified.

OR

The Contractors have to make their own arrangements for supply of construction materials like cement, reinforced steel, H.T. Wire, M.S. Structural etc. Further the Contractor shall be responsible for payment of applicable duties and taxes, insurance, transport etc.

26. *Contractor liable for materials supplied by VACDCL:* The contractor shall be responsible for all material and other articles and things which may be supplied by VACDCL from the time he takes delivery thereof and shall use them only for the purposes of this contract and shall make good any loss, damage, wastage or undue wear and tear that may take place from whatever cause and pay to VACDCL for such loss, damage, wastage or undue wear and tear such sum as the Chief Executive Officer, VACDCL may determine.
27. *Test inspection and rejection of defective material and work:*
- a) The contractor shall provide proper facilities at all times, for the testing of materials, and inspection of the work by the Chief Executive Officer, VACDCL and the Chief Executive Officer, VACDCL shall accordingly also have access at all times to the place of storage or manufacture where materials are being made for use under the contract to determine that manufacture is proceeding in accordance with the Specification Drawings and specifications.
- All the materials shall be tested at Laboratory established by the Contractor which shall equipped with Testing machines or at an approved laboratory and the Test Results shall be furnished to VACDCL for verification. All the works shall be carried out with the approved / tested material and good workmanship and the finishing shall be maintained.
- b) The contractor shall, upon demand, also forward for the Chief Executive Officer, VACDCL 's inspection, test certificates supplied by the vendors, when he is purchasing consignments of cement, steel and other materials in respect of which such certificates are usually available.
  - c) The Chief Executive Officer, VACDCL shall have power to reject at any stage, any work, which he considers to be defective in quality of material or workmanship and he

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shall not be debarred from rejecting wrought materials by reason of his having previously passed them in an un-worked condition. Any portion of the work or materials rejected or pronounced to be inferior or not in accordance with the Specification Drawings and specifications, shall be taken down and removed from the work-site at the contractor’s expense, within 24 hours after written instructions to that effect have been given by the Chief Executive Officer, VACDCL. Replacement shall at once be made in accordance with the specifications and Specification Drawings, at the contractor’s expense.

In case of default on the part of the contractor to carry out such orders, the Chief Executive Officer, VACDCL shall have power to employ and pay other persons to carry out the orders at the contractor’s risk and all expenses consequent thereon and incidental thereto shall be borne by the Contractor. In lieu of rejecting work not done in accordance with the contract, the Chief Executive Officer, VACDCL may allow such work to remain, and in that case shall make such allowance for the difference in value, as in his opinion may be reasonable.

d) *Works opened for inspections:* The contractor shall at the request of the Chief Executive Officer, VACDCL within such time as the Chief Executive Officer, VACDCL shall name, open for inspection any work covered up; and should the contractor refuse or neglect to comply with such a request, the Chief Executive Officer, VACDCL may employ workmen to open up the same. If the said work has been covered up in contravention of the Chief Executive Officer, VACDCL ’s instructions, or if on being opened up, it be found not in accordance with the Specification Drawings and specifications or the written instructions of the Chief Executive Officer, VACDCL the expenses of opening it and covering it up again, whether done by the contractor or such other workmen, shall be borne by, or recovered from the contractor. If the work has not been covered up in contravention of such instructions, or if on being opened up it be found to be in accordance with the Specification Drawings and specifications or the written instruction of the Chief Executive Officer, VACDCL then the expense aforesaid shall be borne by the VACDCL and shall be added to the contract sum, provided always that in the case or foundations, or any other urgent work so opened up and requiring immediate attention, the Chief Executive Officer, VACDCL shall, within reasonable time after the receipt of a notice from the contractor that the work has been so opened, make or cause the inspection thereof to be made, and at the expiration of such time if such inspection shall not have been made, the contractor may cover up the same, and shall not be required to open it up again for inspection except at the expense of VACDCL.

28. *Defects, shrinkage, etc., after completion:* Any defects, shrinkage or other faults which may appear within Defects Liability Period, in the opinion of the Chief Executive Officer, VACDCL from faulty materials or workmanship not in accordance with the Specification Drawings and specifications or the instructions to the Chief Executive Officer, VACDCL shall, upon the directions in writing of the Chief Executive Officer, VACDCL and within such reasonable time as shall be specified therein, be amended and made good by the contractor at his own cost, unless the Chief Executive Officer, VACDCL shall decide that the contractor ought to be paid for the same at the rates agreed or such reduced or other rates as the Chief Executive Officer, VACDCL may fix and in case of default, the Chief Executive Officer, VACDCL may employ and pay other persons to amend and make good such defects, shrinkage or other faults or damage, and all expense consequent thereon and incidental thereto shall be borne by the contractor.

29. *Chief Executive Officer, VACDCL ’s decision:* To prevent disputes and litigation, it shall be accepted as an inseparable part of the contract that in matters regarding materials, workmanship, removal of improper work, interpretation of the contract Specification

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Drawings and contract specifications, mode of procedure, and the carrying out of the work, the decision of the Chief Executive Officer, VACDCL shall be final and binding on the contractor, and in any technical question which may arise touching the contract, the Chief Executive Officer, VACDCL 's decision shall be final and conclusive. In the case of any difference between Chief Executive Officer, VACDCL and contractor on matters regarding materials, workmanship, removal of improper work, interpretation of contract Specification Drawings and contract specifications, mode of procedure and the carrying out of the work, the contractor shall have a right of appeal to the next higher authority viz., the Chief Executive Officer, VACDCL and the decision of the latter shall be final and conclusive.

30. *Dismissal of Workmen:* The contractor shall, on the request of the Chief Executive Officer, VACDCL immediately dismiss from the works any person employed thereon who may, in the opinion of the Chief Executive Officer, VACDCL be incompetent or misconduct himself, and such person shall not be again employed on the works without the written permission of the Chief Executive Officer, VACDCL but the contractor may appeal to the Chief Executive Officer, VACDCL against such dismissal.
31. *Contractor's maistri or agent and Contractor's staff:* The contractor shall, in his own absence keep constantly on the works a competent maistri or agent, and any directions or explanations given by the Chief Executive Officer, VACDCL or his representatives to such maistri or agent shall be held to have been given to the contractor. The Contractor shall further provide all staff, which is necessary for the supervision execution and measurement of the work to ensure full compliance with the terms of the contract.

The Contractor irrespective of his class shall be required to employ as follows, technical personnel on each work costing more than Rs.50, 000 / - under the Contract, at his own cost.

<b>Cost of Work</b>	<b>Such of Technical Staff</b>
From Rs.50,000/- to Rs.1.00 Lakh.	One ITI Certificate holder.
From Rs.1.00 Lakh to Rs.5.00 Lakhs.	One Diploma holder.
From Rs.5.00 Lakh to Rs.15.00 Lakhs.	One Graduate Engineer or Two Diploma holders
Above Rs.15.00 lakhs	One Graduate Engineer and One Diploma holder

The appointment of the staff shall be on full time basis and they shall be available at work site during working hours personally checking all items of works and paying special attention to such work as may demand special attention i.e. Reinforced Cement Concrete work etc. and also whenever required by the Chief Executive Officer in-charge to enforce instructions.

In case of failure of the Contractor to employ technical staff as above, recovery shall be made from his bills at the following rates.

<b>Cost of Work</b>	<b>Rate of recovery per Month</b>
1. Between Rs.50,000/ and Rs.1.0 Lakh.	Rs. 4,000/-
2. Rs.1.0 Lakh to Rs.5.0 Lakhs.	Rs. 5,000/-
3. Rs.5.0 Lakhs to Rs.15.0 Lakhs.	Rs. 6,000/-
4. Rs.15.0 Lakhs and above	Rs. 10,000/-

The Contractor shall inform the VACDCL in case there is any change in any of their technical staff for any reasons.

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Each member of the technical staff shall submit a declaration form (enclosed) before entering into agreement with VACDCL.

The Contractor shall also furnish with the tender the details of technical staff proposed to be employed in the form appended to the tender.

32. *VACDCL maistries or agents:* The VACDCL may be represented on the works by an agent, clerk of the works, or maistri who is not borne on the official list of officers and subordinates of the VACDCL. He (if appointed) shall, in the absence of the Chief Executive Officer, VACDCL furnish the contractor with the Chief Executive Officer, VACDCL 's instructions and directions as to the progress and execution of the works and the contractor shall duly comply with such instructions and directions and shall, on the written requisition of the maistri, clerk of works or agent, stay the further progress of any portion of the works which in his judgment is being constructed with unsound or improper materials or workmanship, until the opinion and determination of the Chief Executive Officer, VACDCL shall be obtained thereon, but such maistri, clerk of works or agent, is to have no power whatever to order any extra works or deviation from the specifications and Specification Drawings.

33. *Tolls and Seignorage:* The contractor shall, unless otherwise specially stated in the tender notice and subsequently on this basis in the contract be responsible for the payment wherever payable of all import duties, tolls, octroi duties, quarry fees etc., on all materials and articles that he may use.

Seigniorage charges will be recovered from the contractors' bills as per the rates contained in G.O.No.331, dated: 21-6-2000 of Industries and Commerce (M-1) Department. If any subsequent revision of the seigniorage charges has taken place the extra amount shall be borne by VACDCL, which will be paid directly to the Mines & Geology Department. If there is any reduction in the seigniorage charges mentioned in the above G.O. the differential amount also will be recovered from the contractors bills as per the G.O.No.331, dated: 21-6-2000 of Industries and Commerce (M-1) Department.

The contractor shall be solely responsible for the payment of Sales Tax / Tax on Works Contract under the provision of APVAT Act as in force from time to time. For Sales Tax/ Tax on Works Contract, the contractors are given the option to opt for the composing schemes under section 5 (g) of the APVAT Act. The contractors opting for such a scheme are subject to a tax deduction at source such rate as applicable from time-to-time under scheme or subject to a tax deduction at source such rate as applicable from time to time under the APVAT Act on the gross value of each bill. If not, Sales Tax will be deducted from all bills, according to the rules in force at the time.

The contractor is responsible for the payment, where payable, of all royalties, seigniorage charges, cess and other charges for use of private quarries on private lands.

**Note:** *For works carried out on behalf of the VACDCL of India seignorage fees, etc., referred to in this clause will have to be levied in every case.*

34. *Payments and Certificates:* Payment will be made to the Contractor under the certificate, which will be issued within 14 days from the first day of the each month by the Chief Executive Officer, VACDCL. Intermediate payments will be made by the VACDCL of a sum equal to 92 ½ % of the value of work so certified and the balance 7 ½ % will be withheld and retained as security for the due fulfilment of the contract. Under the certificate which will be

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issued by the Engineer – in charge, VACDCL on the satisfactory completion of the entire works, the Contractor will receive the final payment of all the money due or payable to him under or by virtue of the contract except security deposit furnished at the time of entering into agreement and a sum equal to 2 1/2% of the total value of the work done. This amount (i.e. 2 1/2 % of the total value of the work done recovered in the final payment) will be returned at the end of the defect liability period subject to the satisfactory performance of the contract in all respects. The bank guarantee furnished as security deposit at the time of entering into agreement will be released only after the expiry of the defect liability period subject to the satisfactory performance of the contract in all respects. The bank guarantee furnished if any as extra security deposit at the time of entering into agreement will be released only after satisfactory completion of the contract.

35. *Interest on money due to the contractor:* (a) No omission by the Chief Executive Officer, VACDCL to pay the amount due upon certificates shall vitiate or make void the contract, nor shall the contractor be entitled to interest upon any guarantee fund or payments in arrears, nor upon any balance which may, on the final settlement of his accounts, be found to be due to him.
- (b) Whenever the withheld amount reaches Rs.1, 000 or a multiple thereof, the contractor may, at his option, deposit with Chief Executive Officer, VACDCL Rs.1, 000 or a multiple thereof, in any or the forms of interest bearing securities recognised for the purpose by the Andhra Pradesh Public Works Accounts Code and subject to the provisions therein contained, in which case in the equivalent withheld amount shall be paid to him forthwith. The contractor will be permitted to exercise the option in this clause; subject only to the condition that the rate of progress contained in the Articles of Agreement is properly maintained.

Withheld amount of each intermediate payment shall be paid to the contractor on furnishing a bank guarantee for an equivalent amount.

For the withheld amount of 7-1/2% of the value of intermediate payment, the validity of Bank Guarantee as follows:

- i) For 5 % of each intermediate payment, the bank guarantee shall be valid at least 30 days beyond the date of final payment and will be released along with the final payment as per Clause 68.
- ii) For 2-1/2% of each intermediate payment, the bank guarantee shall be valid till the expiry of the defect liability period and shall be released only after the defect liability period is over as per Clause-68.

The above facility of payment of withheld amount against Bank guarantee will be permitted subject only to the condition that the rate of progress contained in programme of work is properly maintained.

36. *Acceptance of final measurements:* The contractor agrees that before payment of the final bill shall be made on the contract, he will sign and deliver to the Chief Executive Officer, VACDCL either in the measurement book or otherwise demanded, a valid release and discharge from any and all claims and demands whatsoever for all matters arising out of, are connected with the contract; provided that nothing in this clause shall discharge or release the contractor from his liabilities under the contract. He shall also produce a certificate from the Income Tax Authorities that all Income Tax payable by him up to-date has been duly paid in the case of contracts the value of which is over Rs.10, 000 / - at the time of payment of final bill. It is further expressly agreed that Chief Executive Officer, VACDCL in supplying the final measurement certificate need not be bound by the preceding measurements and payments. The final measurements, if any, of the Chief Executive Officer, VACDCL shall be final, conclusive and binding on the contractor. The Contractor shall furnish latest sales tax clearance certificate before the payment of final bill.

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37. *Recovery of money from contractor in certain cases:* In every case in which provision is made for recovery of money from the contractor, VACDCL shall be entitled to retain or deduct the amount thereof from any moneys that may be due or may become due to the contractor under these presents and or under any other contract or contracts or any other account whatsoever.
38. *Contractor dying, becoming insolvent, insane, or imprisoned:* In the event of the death or insanity or insolvency or imprisonment of the contractor or where the contractor being a partnership or firm becomes dissolved or being corporation goes into liquidation, voluntary or otherwise, the contract may, at the option of the Chief Executive Officer, VACDCL be terminated by notice in writing posted at the site of the works and advertised in one issue of the local District Gazette, and all accepted and acceptable works shall forthwith be measured up and paid for at the rates provided in the contract schedule where such apply, or otherwise, by the most recent schedule of rates of the division approved by competent authority, to the person or persons entitled to receive and give a discharge for the payment.
39. *Arbitration:* In case of any dispute of difference between the parties to the contract either during the progress or after the completion of the works or after the determination, abandonment, or breach of the contract, as to the interpretation of the contract, or as to any matter or thing arising there under except as to the matters left to the sole discretion of the Engineer – in - charge, VACDCL under clauses 20,22,27 (C) 29,36,37 and 40 of the preliminary specification or as to the withholding by the Engineer – in - -charge, VACDCL of payment of any bill to which the contractor may claim to be entitled, then either party shall forthwith give to the other notice of such dispute or difference, and such dispute or difference shall be and is hereby referred to the arbitration of the Chief Executive Officer, VACDCL of the nominated circle and Chief Executive Officer mentioned in the “Articles of agreement” (hereinafter called the “Arbitrator”) and the award for claims Rs. 10,000 and for Rs. 10,000 to Rs. 50,000 in value of such Arbitrator shall be final and binding on the parties unless contested by either party in a court of law. The arbitrator’s proceedings will be conducted in accordance with the provisions of the Arbitration Act, 1948 as amended from time to time. The arbitrator shall invariably give a speaking award.

Provided however that in cases where the Engineer- in - charge, VACDCL has entered into the contract on behalf of the Governor, the dispute or difference shall, in the first instant, be referred by or through the Engineer – in – charge, VACDCL, to the Chief Executive Officer, VACDCL in which the work lies and his decision thereon obtained before referring such dispute or difference to arbitration under this clause. Progress of the work shall not be suspended or delayed on account of the reference of any dispute or difference to the Chief Executive Officer, VACDCL in which the work lies or to arbitration under this clause. The decision of the Chief Executive Officer, VACDCL or the Chief Executive Officer, VACDCL in which the work lies, as the case may be on such dispute or difference shall be conclusive until reversed by the Chief Executive Officer, VACDCL or the arbitrator. Either party may within a period, which shall be fixed by the arbitrator, file before the arbitrator a statement of the case and also all the documents relating to or having a bearing on the case. The arbitrator shall see that the award is passed, if reasonably possible, within a period of four months from the date of his entering upon the reference, but if any extension of that period is considered by him to be necessary, either Suomoto or on the application of either party to the reference, the parties hereby agree and consent to such extension as the arbitrator may from time to time consider reasonably necessary and any such extension shall forthwith be communicated by him in writing to each of the parties hereto. The arbitrator shall not be bound to observe the ordinary rules of procedure applicable to trials before Judicial Tribunals nor to hear or receive formal evidence but may pass on award on the documents or statements of the case filed by both the parties under or on personal

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inspection. The arbitrator shall have power to view the subject matter of the dispute with or without the parties or their agents. The arbitrator shall also have power to open up, review and revise any certificate, opinion decision, requisition or notice, save in regard to the matters expressly excepted and to determine all matters in dispute which shall be submitted to him, and of which notice shall have been given as aforesaid, in the same manner as if no such certificate, opinion, decision, requisition or notice had been given upon every any such reference the costs of any incidental to the reference and award respectively shall be in the discretion of the arbitrator, subject to the condition that the amount of such cost to be divided to either party shall not in respect of, i.e., monetary claim exceed the percentage set out below of any such award irrespective of the actual fees costs and expense incurred by either party; provided that where a monetary claim is disallowed in full, the said percentage shall be calculated on the amount of the claim. The arbitrator may determine the amount of the costs to be awarded or direct the same to be taxed as between solicitor and client or a party and party and shall direct by whom and to whom and in what manner the same shall be borne and paid.

The percentage above referred to in this clause are 5 percent on any such monetary award which does not exceed Rs.10, 000/- 3 percent on the next Rs.40,000/- or any part thereof, 2 percent on the next Rs.50,000/- or any part thereof and 1 percent on any excess over Rs.1,00,000/-. Provided that VACDCL shall not be liable to any claim in respect of any such dispute or difference until liabilities, and the amount referred to is decided by the arbitrator. Provided that payment to the contractor based on the arbitration award shall be made only after acceptance of the award by the VACDCL if the value of the award is less than Rs.20, 000/- and the VACDCL if the value is Rs.20, 000/- above.

**Note:1: Arbitration awards whose value is below Rs.20,000/-.**

The VACDCL is authorized to accept arbitration awards below Rs.20, 000/- in value. The VACDCL shall make a review of the arbitration award within 15 days of service of the notice of the making of the awards in consultation with the local counsel and if in his opinion the award has to be contested, he shall file an application in the court within 30 days of service of the notice of making of the award for the filing of the award and take steps to contest the award.

If, for any reason, the VACDCL considers it inadvisable to act according to the advice of the local counsel, he shall refer the matter to the VACDCL for examination within 15 days of the service of the notice of the making of the award.

**Arbitration Awards whose value is Rs.20, 000/- and below Rs. 50, 000 /-.e:**

The VACDCL shall make a review of the arbitration awards whose value is Rs.20, 000/- and below Rs. 50, 000 /- and submit a report to the Government within 10 days of service of the notice of the making of the award in such cases a summary of the case, a copy of the agreement for the work, the facts pressed before the arbitrator by the parties along with the recommendations of the VACDCL should be furnished to the Government for full appreciation of the case. The Government will then take a decision in consultation with the Law Department / Director of Finance Standing and Counsel of VACDCL whether the award should be accepted or not and communicate the same within 25 days of service of the notice of making of the award so as to enable the VACDCL either to take action on the basis of the award or to file an application in the court within 30 days of service of the notice of the making of the award for filling of the award and for contesting it.

Settlement of claims above Rs.50,000 in value

For all claims above Rs.50,000/- in value either party shall go to the civil court of competent jurisdiction by way of regular suit and not by arbitration.

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**Note: 2:** *Applications of contractors seeking arbitration should bear a court fee stamp as per clause 10 (K) of Schedule (ii) to the Andhra Pradesh court fees and suits valuation act, 1956 but no stamp duty need be levied.*

*The awards passed by arbitrators shall be made on stamped paper the value of which should be according to the value of claim to which the award relates as per article 12 of Schedule.1-A to the Indian Stamp Act.*

*If the aggrieved party goes to a court of law challenging the award, he should pay the necessary court fee.*

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# **VACDCL**

## **VOLUME – 2**

### **PRICE BID**

#### **SECTION – III**

#### **CONDITIONS OF CONTRACT**

#### **PART – 2 – Conditions of Particular Application**

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**Part-II: CONDITIONS OF PARTICULAR APPLICATION**

## Agreement - Stamp Paper

The present stamp charges are as follows as per Indian Stamp Act 1989 effective from 1.4.1990.

	Stamp Duty
(a) Value of Contract does not exceed Rs 5000/-	10 Rupees
(b) exceeds Rs.5000/- but does not exceed Rs 20000/-	20 Rupees
(c) exceeds Rs20000/- but does not exceed Rs.50000/-	50 Rupees
(d) exceeds Rs 50000/-	100 Rupees
(e) Articles of Association of a company	300 Rupees

The Agreement should be concluded on a Non-Judicial Stamp Paper of appropriate value.

- Clause-1 Recovery towards income tax and surcharge will be made from the gross payment made to the Contractor at source i.e. from each running bill. This deducted amount will be credited to the VACDCL, as per Income Tax Act at the rates fixed from time to time.
- Clause-2 Security Deposit and Withheld amounts  
Within (7) days of receipt of the notification of award of work from the VACDCL, the successful Tenderer shall furnish to VACDCL a security deposit in the form of a Crossed Demand Draft or a Bank Guarantee from a Scheduled Bank / Nationalised Bank in India to **an amount of two and half percent of Contract price** valid till the completion of defect liability period (Defect liability period shall commence from date of completion of work and taken over by the Chief Executive Officer). The forms of security deposit provided in the tender document may be used or some other form acceptable to VACDCL.  
Failure of the successful Tenderer to comply with the requirements of IT 33 or IT 34 shall constitute sufficient grounds for the annulment of the award and forfeiture of the Earnest Money Deposit.
- Clause-3 Cancellation of Contract  
The Contract is liable to be cancelled if either the Contractor or any of his employee is found at any time to be a retired officer of the VACDCL in any Chief Executive Officering Department, Boards, Corporations, Municipalities, Urban development authorities who had not completed a period of two years from the date of retirement and who had not obtained permission of the VACDCL before submission of the tender or engagement in the Contractor service.
- Clause 4 Water & Power Charges  
The supply of water and electric power is the responsibility of the contractor at his own expenses. However, if either electric power or water is made available by VACDCL, then the costs of such electric power or water will be recovered by VACDCL from the contractor at the rates prevailing at the time.
- Clause 5 The amount quoted by the contractor shall be deemed to be inclusive of taxes and duties on all the materials that the contractor has to purchase for the performance of this contract. The contractor shall also be liable to pay the VAT at the prevailing rates as per relevant Acts and G.O.s of A.P. State Government. The recoveries will be made as per the rates in force under the Act at the time of payment.

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Clause 6      **Inspections and Quality Control.**

- i) In addition to the quality assurance inspections of the concerned Chief Executive Officer, VACDCL and his subordinate Officers of VACDCL at site for all the civil works, the contractor is required to cooperate and extend all facilities for the routine / regular / surprise, third party quality control inspections of inspections of third party personnel engaged by VACDCL including collection and testing of samples.
- ii) In the case of various pipes and manholes, in addition to the required quality assurance inspections and tests by the concerned Chief Executive Officer, VACDCL and his subordinate Chief Executive Officers of VACDCL at factory and at site as the case may be, the contractor is required to cooperate and extend all facilities for the routine / regular / surprise, quality control inspections and tests for the various pipes and manholes, by the Chief Executive Officer, VACDCL and his subordinate Chief Executive Officers and or for the quality check inspections and tests by third party personnel engaged by VACDCL including collection and testing of samples etc.
- iii) In the case of various appurtances in addition to the required quality assurance inspections and tests by the concerned Chief Executive Officer, VACDCL and his subordinate Chief Executive Officers of VACDCL at factory and at site as the case may be, the contractor is required to cooperate and extend all facilities for the routine / regular / surprise, quality control inspections and tests for the various valves as above, by the Chief Executive Officer, VACDCL and his subordinate Chief Executive Officers and or for the quality check inspections and tests by third party personnel if any engaged by VACDCL. Since such inspections usually involve the inspecting personnels visits to the various manufacturing units at different stages, the cost of said inspections would be borne by VACDCL, in case of successful visits. In case of failure of the relevant tests for the valves at the manufacturing units the cost of such inspection would be recovered from the contractor.

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