

By Regd. Post with Ack. Due

TRANSMISSION CORPORATION OF TELANGANA LIMITED

From
Chief Engineer,
Construction,
TSTRANSCO,
Vidyut Soudha,
Hyderabad – 500 082.

To
M/s Vertex Engineers,
#Plot B, Road No.5,
IDA,Kukatpally,
Hyderabad – 500 037.

Contract Award P.O.No.202/2018/ TST/ CE(Const.) / SE(Const-1) / DE-2 / ADE-4 / F.Chinnashankarampet/ Sch-B/ RC-251 /18, Dt.18 .09.2018.

Sir,

Sub:-Specification No. **TST-Const-e-13/2017-18** - Supply, erection, testing and commissioning of 132/33 kV ChinnaShankarampet SS and 132 kV DC line (6KM) for LILO of 132 kV Line from 132 kV SS Chegunta to 132 kV SS Yeldurthy to the now proposed 132/33 kV Sub-Station, ChinnaShankarampet in Medak district on turnkey basis- Detailed Contract order for Labour (**Schedule-B**) –Issued- Regarding.

Ref: - 1. Tender specification No. TST-Const-e-13/2017-18.
2. Your Bid offer against the tender Specification No. TST-Const-e-13/2017-18.
3 Lr.No.TST/CE(Const)/SE(Const)/DE-2/ADE-4/F.Chinnashankarampet/
D.No.169 /18,Dt. 05.05.2018.(Letter of Intent)

I, acting for and on behalf of and by the order and direction of the Transmission Corporation of Telangana Limited (herein after referred to as 'TSTRANSCO'), accept your offer given in the reference(2)cited, for Supply, erection, testing and commissioning of 132/33 kV ChinnaShankarampet SS and 132 kV DC line (6KM) for LILO of 132 kV Line from 132 kV SS Chegunta to 132 kV SS Yeldurthy to the now proposed 132/33 kV Sub-Station, ChinnaShankarampet in Medak district on turnkey basis as per Terms &Conditions of Tender Specification No. . TST-Const-e-13/2017-18and award the Contract for a total value of **Rs.4,56,53,030.00(Rupees Four Crore Fifty Six Lakhs Fifty Three Thousand Thirty Only)** as detailed in the Schedule- B enclosed, subject to the Conditions set out in this Order. This Order confirms the Letter of Intent issued vide this office letter cited under reference (3).

2. SCOPE OF CONTRACT:

This contract relates to the Supply, erection, testing and commissioning of 132/33 kV ChinnaShankarampet SS and 132 kV DC line (6KM) for LILO of 132 kV Line from 132 kV SS Chegunta to 132 kV SS Yeldurthy to the now proposed 132/33 kV Sub-Station, ChinnaShankarampetin Medak district on turnkey basis, as per Terms &Conditions of Tender Specification No.TST-Const-e-13/2017-18.The rates indicated in Schedule-B appended to this Order are inclusive of all taxes and duties as per your offer cited under references (2).The material that is to be supplied by you shall be delivered at the places of work sites. Any surplus material to be returned by you shall also be devaluated at construction Stores Erragadda/Shapurnagar, TSTRANSCO at your cost.

3. ABSTRACT OF SCHEDULES:

Description	Amount (Rs.)
Erection work-Labour portion (Schedule – B)	Rs.4,56,53,030.00
Total	Rs.4,56,53,030.00

The accepted Tender percentage is (-)2.799% Less than the Estimated Contract Value(Schedule B).

4. GENERAL CONDITIONS:

Except where otherwise agreed to in this acceptance letter, all the Terms and Conditions stipulated in the Specification No. TST-e-13/2017-18 are binding on you and these shall form part of this contract.

5. STANDARD OF WORK:

The material to be supplied and works to be executed under the contract shall be carried out in accordance with the Tender Specification and the latest scientific and technical standards. Where the work done or any part thereof, does not, in the opinion of the concerned TSTRANSCO's Engineer (which opinion shall be final), conform to the Specification or standards, the TSTRANSCO may require the work to be redone by you at no extra cost to the TSTRANSCO or have it redone by another agency at your cost and risk as per the undertaking given by you.

6. PRICES:

The rates of works covered in Schedule-B, except for the items cement, reinforcement steel and MS/GI Earth Flat shall be **firm** on all accounts such as increase in quantum of work upto 25% and above that provided in the contract, execution of contract beyond the scheduled Completion Period for whatever reasons, increase in the rates of material and labour both during and beyond the Completion Period etc.. These prices are including all the taxes and duties wherever applicable. Price variation is applicable for cement, reinforcement steel and MS/GI Earth Flat.

7. PRICE VARIATION (PV) Clause:

7.1.1 The price variation is applicable for Cement, Reinforcement Steel and Earth Flat (MS & GI).

7.1 .2 The concerned Executive Engineer/Construction will calculate the Price Variation for the billing period, preferably monthly.

The calculation of Price Variation is as follows.

7.2 The Price Variation is applicable in respect of the items Cement and Reinforcement steel as per T.O.O (CE-Civil) Ms.No.24, dt.25.04.2008, T.O.O(CE-Civil) Ms.No.84, dt.12.06.2012 and T.O.O. (CE-Civil) Ms.No.260, dt.28.11.2012

a) The price adjustment shall be applicable within original contract period or Period extended on grounds of the departmental delays and valid reasons and shall not be applicable to the extensions granted on account of the Contractor's fault as envisaged in G.O.Ms.No.1 Dt. 25.02.2012 of Finance (Works & Projects-F7) Department.

- b) The price adjustment shall be applicable for actual components of works actually carried out during the period of the bill. The price variation formula is $PV = (\text{Final Rate} - \text{Basic Rate}) * \text{Quantity}$.
- c) The adjustment scheme will be applied where the variation (increase or decrease) is more than 5%.
 - i) Thus if the price excess is 10%, payment will be made only to the extent of 5% (i.e. 10% - 5%) since the Contractor factors into his original bid his risk of absorbing first 5% increase. Further the same procedure should be also followed for Negative price variation
 - ii) For the time extension period due to department fault: Price variation (both + ve and - ve) is applicable.
 - iii) For the time extension period due to Contractors fault: Only -ve variation is applied.
- d) The Basic rate of Reinforcement Steel and Cement considered in the estimate are **Rs.35,000 per MT** of Reinforcement steel and **Rs.4700.00 per MT** of cement (as informed by Government for the month of July-2017).
- e) The final rate of Reinforcement Steel & Cement for the purpose of price variation shall be the rate informed by Govt. of T.S for the month during which the works are executed.
- f) The rate communicated by Government for Reinforcement Steel and Cement is exclusive of all taxes and duties.
- g) No ceiling on the Price Variation payment either for decrease or increase in prices in case of civil works.

7.3. The Price adjustment applicable in respect of the items Transmission Line Tower Parts, Substation Structures and Earth Flat is as per T.O.O (CE-Const) MS. No 50 and T.O.O. (CE-Const) Ms. No.87 dt.10-06-2008 and as per T.O.O. (CE-Construction-2) Ms. No.242 dt.08-11-2012 subject to the following Conditions.

- a) The price adjustment shall be applicable within original contract period or period extended on grounds of the departmental delays and valid reasons and shall not be applicable to the extension granted on account of the Contractor's fault.
- b) Price adjustment shall be applicable for actual components of items of supply actually carried out. The price variation formula is $PV = (\text{Final Rate} - \text{Basic Rate}) * \text{Quantity}$.
- c) The adjustment scheme will be applied where the variation is more than 5%.
 - d) In case variation is positive, the department will operate variation in rates only to the extent where it is above 5% over the estimated rates. Thus if the price excess is 10%, payment will be made only to the extent of 5% (10% - 5%) since the Contractor factors into his original bid his risk of absorbing the first 5% increase. The same shall be followed for - ve price variation.
 - e) For the time extension due to department fault, both +ve and -ve price variations are applicable.
 - f) For the time extension due to Contractors fault, -ve price variation is applicable.

- g) The basic rate considered in the estimate for Substation structures is **Rs.63630.00**per MT, Galvanised Transmission line Tower parts is **Rs. 68238.00**per MT, M.S.Flat is **Rs.33333.00** per MT and G.I Flat is**Rs.52643.00** (for the month of Mar-2017).
- h) The final rate of Transmission Line Tower Parts for the purpose of price variation shall be the rate communicated by the Chief Engineer / Construction for every month as on 2 months prior to the date of Dispatch and for earth flat one month prior to the date of Dispatch.
- i) The rate communicated by TSTRANSCO for Transmission Line Tower Parts is exclusive of all taxes and duties.
- j) The concerned Executive Engineer/Construction will calculate the price variation.

8.1 TAXES AND DUTIES:

The prices indicated in Schedule-B are firm except for the materials mentioned under clause (6) above and are inclusive of all other incidents (GST @ 18%)

The Ministry of Finance, Department of Revenue, Central Board of Excise and Customs vide Notification No.15/2017, Dt: 01.07.2017 has notified that the Central Goods and Services Tax (Third Amendment) Rules, 2017 shall come into force with effect from the **1st day of July, 2017. GST @ 18 % is applicable on Schedule-B (Labour portion) under work contracts.**

- a) Contractor shall be entirely responsible for payment of all taxes, levies, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. In respect of supply portion, the Contractor shall pay all types of fees, levies, taxes, duties etc. required to be paid by any National or State statute, ordinance or other law or any regulation or bye-law of any local or other duly constituted authority in relation to the execution of works and by the rules and regulations of all public bodies and companies whose property or rights are affected or may be affected in any way of the works.

The Contractor shall in compliance with the above keep the purchaser indemnified against all such penalties and liability of every kind for breach of any statute, ordinance or law, regulation or bye-law. Nothing in the contract shall relieve the Contractor from his responsibility to pay any tax that may be levied by the Government on the turnover / profits etc., made by him in respect of the contract.

8.2 INCOME TAX:

Income tax at applicable rates as on the date of release of payment will be deducted from the gross bills as per the Income Tax Act. The present rate of income tax deduction is 2.00%.

8.3 INSURANCE:

Material, which is to be supplied by you and material if any to be issued by TSTRANSCO shall be insured for transit & erection risks and for storage after their arrival at site. You shall pay other insurance related charges as specified in Clause (2.4) Section II Volume-I of the Specification No.TST-e-13/2017-18. All insurance premiums shall be borne by you. Insurance will be paid as per actual on submission of original insurance documents limited to 0.5% of Project cost (Schedule-A + Schedule-B (excluding taxes)).

8.4 SEIGNORAGE CHARGES:

Seignorage charges have to be paid by you to the Assistant Director Mines & Geology Department and shall be produced along with your work bills or otherwise it will be deducted from your bills as per rules in vogue.

8.5 LABOUR CESS:

The labourcess @ 1% is not levied in the schedules as per T.O.O CE/Civil Ms.No.12, dt.20.01.2018. However, 1% towards labourcess will be recovered from the contractors work bills..

8.6 CORPUS FUND:

Corpus fund @ 0.1% on value of civil works (without taxes) is applicable and shown as LS Provision in the estimate. The contribution to the corpus fund of N.A.C, Hyderabad, component loaded in the estimate shall be added in each bill of contractors and recovered from the contractors bills and remitted to Bank Account No. of N.A.C i.e., State Bank of India, Madhapur Branch, A/c No. 62354682987 IFSC code: SBIN0021162, Branch code:21162.

8.7. STATUTORY VARIATION

Any variation up or down in statutory levy or new levies introduced after tender calling date under this contract award/specification will be to the account of TSTRANSCO.

In cases where delivery schedule is not adhered to by the Contractor and there are upward variation/ revision after the agreed delivered date the Contractor will bear the impact of such levies and if there is downward variation / revision the TSTRANSCO will be given credit to that effect. For the variations beyond the scheduled Completion Period the payment of taxes shall be limited to the tax rates applicable within the scheduled Completion Period.

In case of the bought out items statutory variation shall not be applicable on that taxes and duties. For this purpose bought out item means the material / equipment not manufactured by the bidder i.e. statutory variation will be applicable for the taxes and duties involving direct transaction between the bidder and TSTRANSCO only and not for the taxes and duties between bidder and his sub-vendors.

9. EXECUTION OF WORKS NOT COVERED BY THE CONTRACT:

In the course of the execution of works against the contract, if it becomes necessary to execute items of work which are not covered either by the Tender Specification or your offer or this detailed acceptance letter, such works shall be carried out by you at the rates arrived as per clauses given below. All such items of works shall, however, be executed only on the written directions of the concerned Executive Engineer.

9.1 VARIATION IN QUANTITIES

The quantities indicated in the Schedules are only provisional and are likely to change during actual execution. When quantities of any item are likely to exceed beyond 25% over and above the scheduled quantity or any new items / supplemental items arises, the Contractor shall bring the fact to the notice of Chief Engineer/Construction well in advance and take prior orders for going ahead with the work. Without approval of this office, the Contractor shall not go ahead with the work wherever the increase in quantities exceeds beyond 25% over and above the scheduled quantities or any new items / supplemental items arise.

The Contractor is bound to execute all Increased / supplemental / new items that are found essential, incidental and inevitable during execution of the contract at the rates to be worked out as below:

a. **For work items covered in Schedule-B:**

For quantities increased over and above the Scheduled quantities: The rates awarded in the contract are applicable for any increase in quantities of works.

9.2 **For Supplemental / New Items:**

- i) For the items relating to the Schedule-B where the rate can be deduced from the estimate or TSTRANSCO / DISCOMS / Common SSR, the rate applicable will be the estimated / SSR rate plus or minus (+/-) tender percentage accepted by the bidder for Schedule – B. The schedule of rates adopted for supplemental items / new items shall be from the current SSR applicable during the execution period.
- ii) For the items where the rates of new items cannot be deduced from the estimate / SSR, the rate payable will be arrived based on the prevailing market rates duly enquiring / collecting quotations and observing the reasonableness of the rates by the Purchaser.

10. **TERMS OF PAYMENT:**

A) All payments will be made to you in the following proportion.

- i) Payments will be made up to 90% of the bills for the items of works completed during a month. For this purpose the Contractor shall submit monthly bills to the Executive/ Engineer regularly to ensure payments in time. The Contractor shall give full details of items of works done against each location in support of the bill. Bills submitted without supporting details will not be taken into cognizance.
- ii) Out of balance 10% amount, the first 5% payment will be released after completion of all the works, provided the material account is settled. The final 5% payment will be released after completion of the Guarantee period or on submission of a Bank Guarantee for the equivalent amount, valid for the guarantee period plus two months claim period, subject to settlement of material account.

B) The Contractor shall furnish the following documents in quadruplicate for arranging payment for the equipment / material supplied(where ever Applicable)

- a) Copies of the invoices showing Contract No., Goods description, quantity, unit price and total amount.
- b) The payments against Schedule-B are subject to Performance Security with a **validity of 12 months** as on the date of Check Measurement for proper fulfillment of performance obligations.
- c) No payments will be made for the supplies made prior to scheduled delivery date or for materials which are not in full shape.

10.1. Payments will be made by cheques / by way of Electronic Fund Transfer / RTGS from REC funds/TSTRANSCO funds. The Contractor has to furnish requisite details for establishing RTGS in proforma as per Schedule -X. Once RTGS system is established, the bank account details submitted are final and cannot be changed till completion of the contract. An amount of Rs. 50/- will be recovered from the bill amount for each disbursement on LOA raised by unit officers towards RTGS. For payments through Bank, connected Bank charges are to be borne by the Contractor.

Bank account details for payment through RTGS system:

Name of the Bank : State Bank Of India
 Name of the Branch : Balanagar
 Branch Code : 6854
 City : Hyderabad
 Account No : 10558727118
 MICR No. : 500002039
 IFSC No. : SBIN0006854
 Income Tax PAN No. : AAFFVO532R
 GST Registration No. : 36AAFFV0532R1ZR
 Date of GST Registration : 28.06.2017
 Place of GST Registration : Hyderabad

11. COMPLETION PERIOD:

The Completion Period of Line and Bay are indicated in the table below and the commencement date of the Project will be reckoned as follows:

- (a) In respect of transmission lines, the commencement date will be reckoned from the date of issue of detailed Contract award letter or from the date of issue of 10% profiles, whichever is later.
- (b) The Completion Period for Bays will be reckoned from the date of issue of detailed Contract award letter or from the date of handing over of the approved layout whichever is later.

The Completion Period shall be firm, definite and unconditional without any bearing on the procurement of materials or any similar pre-requisites.

	Supply, erection, testing and commissioning of the following works on Turnkey basis	Completion period
i	Supply, Erection, Testing and Commissioning of 132/33 kV ChinnaShankarampet SS in Medak district on turnkey basis	09 (Nine) Months
ii	Supply, Erection, Testing and Commissioning of 132 kV DC line for LILO of 132 kV Chegunta-Yeldurthy DC/SC line to the proposed 132/33 kV Sub-Station, ChinnaShankarampet in Medak district on turnkey basis	

Within one week of receipt of intimation from Superintending Engineer/Executive Engineer concerned, the Contractor shall take over the approved profiles and layout, otherwise the date after one week of intimation to the Contractor for taking over of approved profiles and layout shall be deemed as the date of handing over of approved profiles and layout and will be taken as date of commencement of work.

- a) The detailed program for supplies i.e., PERT/BAR chart shall be given by the Contractor in the kickoff meeting, which shall match PERT chart of works schedule (schedule B) as the same material are to be utilised for carrying out the works. The kick off meeting shall be held by Zonal Chief Engineers within 15 days from the issue of the Letter of Intent for all works. The targets are to be fixed in the Kick-off meeting which shall be signed by Superintending

Engineer /OMC and the Contractor which shall become a part of the agreement. The targets fixed in the Kick-off meeting are final and shall be taken for imposing penalties. A copy of the targets fixed and minutes of the Kick-off meeting shall be sent to headquarter immediately for review in the teleconference.

- b) On the date of Kick-off meeting the Executive Engineer shall finalize and confirm to the Contractor regarding specific type of Towers to be used and the drawings applicable and all the quantities of materials / equipment in writing and shall make a copy to the Headquarters.
 - i) *The Contractor shall submit bar chart of execution of works for approval during the kick-off-meeting.*
 - ii) *TSTRANSCO communicate bar-chart indicating percentage (%) of profiles to be handover to the Contractor in the kick-off meeting*
- c) Any technical clarifications shall be done by the concerned Superintending Engineer / OMC. The Superintending Engineer /OMC shall arrange to hand over the approved layout, Final Ground Level for Substation and approved profile for line on the day of kickoff meeting.
- d) The Contractor or his representative shall invariably attend the meetings whenever called. The representative of the Contractor who attends the kick-off meetings and review meetings shall be qualified and shall be authorized by the Contractor with the details of qualification and responsibility and designation of the authorized person.
- e) The bidder shall supply the materials / equipments as per the PERT/BAR chart. The Contractor shall obtain clarifications related to all technical matters from the concerned Superintending Engineer/ Construction/OMC.

12. PENALTY FOR LATE SUPPLIES / COMPLETION OF WORK:

The Completion Period mentioned above is the essence of contract. In case of delay in execution of works, Penalty will be levied as follows

- a) Penalties for delays in execution of the works with in Completion Period: In case of non-achievement of Targets of the scheduled works by the Contractors when compared with the PERT charts as accepted in the Kickoff meetings, whatever may be the reasons, the TSTRANSCO shall levy and collect the penalty @ 1% per month of value of non-achieved targets fixed in the Kickoff meeting. However if the work is completed within the total scheduled Completion Period the penalty recovered shall be released”.
- b) Penalties after overall Completion Period: “In case of delay in erection of the works or supply of material / equipment beyond overall Completion Period, whatever may be the reasons; the TSTRANSCO shall levy and collect the penalty @ 0.5% per week of the delay on the delayed value of the works / Materials / Equipment”.

However the sum of the penalties stated above are **subject to a maximum of 10%** of the total value of the contract. Once the maximum is reached, TSTRANSCO may consider Termination of the contract. The right of the TSTRANSCO to levy penalty shall be without prejudice to its rights under the law including the right to get the balance works executed by other agencies at the risk and cost of the successful bidder. This is in addition to the right of the TSTRANSCO to recover any damages from the Contractor and also blacklisting.

In case the successful bidder fails to execute the works as per the program or in the opinion of purchaser, the works are progressing at a slow pace, TSTRANSCO reserves its right to get the balance or part of works executed through other agencies at the risk and cost of the successful bidder, this is in addition to the right of the TSTRANSCO to recover any damage from the Contractor and also blacklisting.

13. PERFORMANCE SECURITY:

As per Clause (4.1), Section-II 'Financial' of Volume-I of the Specification, you shall furnish performance security equal to five percent (5%) of the value of the Schedule-B i.e **Rs. 22,82,652.00 (Rupees Twenty Two Lakhs Eighty Two Thousand Six Hundred Fifty Two Only)** for the proper fulfillment of contract with a validity of 23months(i.e Completion Period plus 12 months guarantee period plus 2 months claim period). The Performance security may be made by way of Demand Draft drawn on any Nationalized / Scheduled Bank payable at Hyderabad in favour of Pay officer, TSTRANSCO, Hyderabad or by way of Bank Guarantee from a Nationalized/ Scheduled Bank in favour of Chief Engineer/Construction in the prescribed proforma.

The performance security shall be forfeited if you fail to fulfill the Terms of the contract. You are requested to extend the validity of the Bank Guarantee furnished towards performance security as and when requested by TSTRANSCO.

The Contractor shall furnish the performance security Bank Guarantee within 15 days from the date of issue of Letter of intent OR the Contractor may request for adjustment of his Bid security as part of performance security duly extending the validity of Bid security BG suitably and balance performance security Bank Guarantee may be submitted.

14. PERFORMANCE GUARANTEE:

- i) The Contractor shall warrant for the Satisfactory Performance of the materials / equipment supplied and works executed by him, for a minimum the period of 12 months from the date of commissioning of the project for proper fulfillment of performance obligations. Where the suppliers/manufacturers provide longer period of warranty than mentioned above, the purchaser shall be entitled for such longer warranty.
- ii) Equipment, sub-assemblies or spares, or parts replaced / repaired under warranty shall have further warrantee of 12 months from the date of replacement / repair.
- iii) After commissioning and handing over of the project to the TSTRANSCO, the Contractor shall arrange for thorough patrolling of the line during the first six months of the guarantee period so that the defects if any noticed during that period may be rectified by the Contractor free of cost to the TSTRANSCO without having to wait for the TSTRANSCO to suggest such rectifications.
- iv) If during the period of guarantee, the Engineer decide and inform in writing to the Contractor that any equipment, part of equipment, material or works is defective, the Contractor on receiving details of such defects or deficiencies shall at his own expense, irrespective of reimbursement of insurance company, rectify/replace the defective material or works within seven (7) days of his receiving the notice or within such reasonable time as TSTRANSCO may deem proper for making it good. The decision whether correction of

the defects should be through repair or by replacement shall be the sole discretion of the TSTRANSCO.

- v) In the event of Contractor not responding to the intimation of the Engineer as mentioned above, the Engineer may arrange for a third party to correct the defects after duly giving the Contractor at least seven (7) days' notice of its intention to use a third party to correct a defect. If the Contractor does not correct the defect himself within this notice period, the Engineer may have the defect corrected by the third party. The cost of such rectification will be deducted / collected from the balance pending bills or retention amounts or performance / additional / retention securities or amounts of the Contractor either in this contract or other contracts or any other securities.

15. PAYING OFFICER&CONSIGNEE:

The Paying Officer is the Superintending Engineer/OMC Circle/Sangareddy. The consignee will be concerned Assistant Executive Engineer/ Construction. The Agreement authority is the Superintending Engineer /OMC Circle/Sangareddy.

16. CEMENT AND STEEL FOR STRUCTURE FOUNDATIONS AND OTHER CIVIL WORKS:

Cement and steel reinforcement rods: The cement and steel reinforcement rods required for the work have to be supplied by the Contractor as per latest ISS. IS Certification mark is Mandatory. Cement and reinforcement steel procured from major cement manufacturers mentioned below shall only be procured.

Sl. No.	Description of Material		Approved brands
1	Cement	:	1) ACC Limited 2) Kesoram Cements 3) Orient Cements 4) Zuari Cements 5) CCI Limited 6) Andhra Cements 7) Coramandel Cement 8) Raasi Cement 9) Sri Vishnu Cements 10) Madras Cements 11) Ultra Tech Cement Limited – APCW 12) KCP Limited 13)Penna Cements 14) Panayam Cement 15) Grasim 16) Rajashree Cement 17) Mysore Cement 18) Century Cement 19) Ambhuja Cement and 20) Priya Cement 21) Deccan Cements 22) Dalmia Cements 23) Parashakti Cements 24) Maha Cements.
2	Reinforcement and structural steel	:	1) VSP 2) SAIL 3) TISCO and 4) ISCO

Copies of invoices and test certificates from the cement and steel manufacturers shall be submitted by the Contractor to the Engineer and obtain clearance before actual use. Such clearance will be given within a maximum period of one week.

17. QUALITY OF EQUIPMENT/MATERIALS:

Equipment/materials supplied by you shall be of good quality. You shall furnish samples and get them tested in the presence of the TSTRANSCO's Engineer/representative. The materials shall be dispatched only after inspection, testing and approval by the TSTRANSCO. The Tests to be carried out to the equipment/ material shall be in accordance with Volume-2 of the Specification. Construction materials like sand, metal, stone, bricks, timber and various sanitary, water supply fittings etc., shall be got approved by Executive Engineer/Construction /Civil for the various works covered by schedules.

17.1 Quality Assurance Plan:

The Quality Assurance Plan of TSTRANSCO is appended to the specification. You shall adhere to the Quality Assurance Plan during execution of works.

You shall maintain the quality standards as per specification and shall attend the remarks of TSTRANSCO Quality Control wing on top most priority without any reminders from TSTRANSCO.

17.2 Setting up of Quality Control Laboratory at Site:

- (i) Appropriate grade of concrete and cement content for R.C.C. items may be scrupulously followed as envisaged in IS 456-2000 considering appropriate exposure conciliations.
- (ii) Using of M30 grade shall be mandatory for R.C.C. members of all structures located in coastal areas.
- (iii) A quality control laboratory shall be setup by the Contractor at the construction site for all major works in which the value of the civil works costing more than Rs. 1.00 Crore. List of testing equipment to be kept in the field laboratory is listed below.

Sl.No.	Description of testing Apparatus/Equipment
1.	Core Cutter Apparatus.
2.	Standard Cone Penetration Test Equipment.
3.	Proctor Density test Apparatus.
4.	Compression Testing Machine.
5.	Concrete Test Hammer.
6.	Slump Cone Test Apparatus.
7.	Vicat Needle Apparatus.
8.	Sieve Analysis Apparatus for fine and coarse aggregates.
9.	Screw guage, Vernier calipers.
10.	Auto level, Theodolite, Chains and Ranging rods.

Note: In addition to the above field Tests, the Contractor has to be conduct necessary lab Tests as requested by the Engineer-in-charge/QC wing at Government Labs or at any reputed Government/Private Engineering College testing labs.

17.3 Quality Control & Inspections:

Standard: The goods supplied under this contract shall conform to the standards mentioned in the Technical Specifications and when no applicable standard is mentioned, the standard specified by the Institution of Central/State Government or internationally recognized Institutions shall be applicable and such standards shall be of latest version issued by the concerned institution.

Inspections and Tests:

- i) The purchaser or his representative shall have access to the Contractor's or Manufacturer's work at any time during working hours for the purpose of inspecting and testing the materials during manufacturing of the materials / equipment and may select test samples from the materials going into plant and equipment.
- ii) The inspections and Tests may be conducted in the premises of the manufacturer/ supplier, at the point of delivery and/or at the final destination stores i.e. at the site. Where Tests are conducted in the premises of manufacturer / supplier, all reasonable facilities and assistance including access to drawings and production data shall be furnished at no extra charge to the Purchaser.

- iii) Should any inspected or tested materials fail to conform to specifications, the inspection officer may reject them and the Manufacturer / supplier shall either replace the rejected materials or make all alterations necessary to meet specification requirements free of cost to the Purchaser.
- iv) The purchaser's right to inspect, test and where necessary, reject the materials/ equipment after their arrival at the site, shall in no way be limited or waived by reason of the materials/equipment having been previously inspected, tested and passed by the purchaser or his representative prior to the dispatch
- v) The cost of making any test shall be borne by the Contractor, if such test is clearly intended by or provided for in the contract.

17.4 **Cost of Tests not provided for:** TSTRANSCO may decide to conduct certain other Tests not covered in this specification on the materials supplied by the bidder by an independent person or agency at any place other than the site of the place of manufacture of the materials. The cost of such Tests shall still to be borne by the Contractor. If the Tests show that the workmanship or quality of materials are not in accordance with the provisions of the contract the same may be replaced with new one conforming to specification at Contractor's cost.

Quality of Materials and Workmanship: All materials and workmanship shall be of the respective kinds described in the contract and in accordance with the Engineer's instructions and shall be subjected to change from time to time to such Tests as the Engineer may direct at the place of manufacture or fabrication or on the site or at all or any such places. The Contractor shall provide such assistance, instruments, machines, labour and materials that are normally required for examining, measuring and testing any work and the quality, weight or quantity of any materials used and shall supply samples of materials before incorporation in the works, for testing as may be selected and required by Engineer.

Cost of Samples: The Contractor at his own cost shall supply all samples, if the supply thereof is clearly intended by or provided for in the contract.

Uncovering and Making Openings: The TSTRANSCO reserves the right to uncover and examine any part of the works if it is found to be not according to specification. The Contractor shall uncover any part of the works or make openings as the Engineer may from time to time direct and shall reinstate and make good such part or parts to the satisfaction of the engineer.

Inspection of operation: The Engineer and any person authorized by him shall at all times have access to the works and to all workshops and places where work is being prepared or from where materials are being obtained for the works and the Contractor shall afford every facility and every assistance in or in obtaining the right to such access.

Removal of improper work and materials:

- a) The TSTRANSCO representative shall, during the progress of works, have power to order in writing from time to time the removal from the site within one week of receipt of notice, of any materials which in their opinion are not in accordance with the contract.
- b) In case of default on the part of the Contractor in carrying out such an order, the TSTRANSCO shall be entitled to employ and pay other persons to carry out the same and all expenses consequent therein or incidental thereto shall be recoverable from the Contractor by TSTRANSCO from any money due to or which may become due to the Contractor.

17.5 INSPECTION DURING ERECTION:

The provisions of the clauses entitled in the specification for other sections Inspection, Testing and Inspection Certificates shall also be applicable to the erection portion of the Works. The PURCHASER/ENGINEER shall have the right to re-inspect any equipment though previously inspected and approved by him, at the CONTRACTOR's works, before and after the same are erected at Site. If by the above inspection, the PURCHASER/ENGINEER rejects any equipment, the CONTRACTOR shall make good for such rejections either by replacement or modifications/repairs as may be necessary to the satisfaction of the PURCHASER/ENGINEER. Such replacements will also include the replacements or re-execution of those works of other CONTRACTORS and/or agencies, which might have got damaged or affected by the replacements or re-work done by the CONTRACTOR's work.

17.5.1 ACCESS TO SITE AND WORKS ON SITE:

Suitable access to and possession of the 'Site' shall be afforded to the CONTRACTOR by the PURCHASER in reasonable time. The work so far as it is carried out on the purchaser's premises, shall be carried out at such time as the purchaser may approve. In the execution of the works, no persons other than the Contractor or his duly appointed representative, sub-Contractor and workmen, shall be allowed to do work on the Site except by the special permission, in writing of the Engineer or his representative.

Access to the 'Site' at all times shall be accorded to the PURCHASER/ENGINEER and other authorized officials and statutory Public Authorities. Nevertheless, the CONTRACTOR shall not object to the execution of the work by other Contractors or tradesmen whose names shall have been previously communicated in writing to the CONTRACTOR by the PURCHASER/ENGINEER and afford them every facility for the execution of their several functions simultaneously with his own.

18. EMPLOYMENT OF TECHNICAL STAFF FOR SUPERVISION, SKILLED AND UNSKILLED LABOUR:

The Contractor shall provide experienced, technically qualified supervising Engineers for the supervision. The Chief Supervising Engineer of the Contractor or his agent shall have full power as the representatives of the Contractor who can negotiate at site in regard to execution of the contract. The minimum qualification of site Engineer is a degree in Engineering. The Contractor must make his own arrangements for recruiting skilled, semi-skilled and un-skilled labour in sufficient numbers. The Contractor shall engage only competent skilled workers. The Executive Engineer/ In-charge of the work will have the right to remove any skilled worker employed by the Contractor, if found not suitable.

The Contractor shall employ following Technical Staff indicated against each work.

Work	Technical Personnel to be employed by the Contractor
220 kV or 132 kV Sub-Station or Switching Station	1 B.Tech / B.E Electrical +1 B.Tech / B.E Civil + 1 Diploma Electrical
220 kV or 132 kV Line	1 Diploma Electrical +1 Diploma Civil
220kV/132 kV bays	1 Diploma Electrical / Civil

In case of failure of the Contractor to employ technical staff during execution as above, recovery shall be made from his bills at Rs. 10,000/- per month for each work, besides other penal action.

The Contractor shall make his own arrangements for engagement of all labour, local or otherwise, their transportation, housing, feeding and payment thereof, in accordance with labour law, unless the contract otherwise provides. No idle labour payment will be made to the Contractor.

19. WATER & POWER:

The successful bidder has to make use of the water and power supply available if any at Substation site. Transport of water from the available source to the Substation site will be the bidder's responsibility. The Contractor has to use power driven equipment at his own cost for pumping water. In case water is not available at site the bidder has to make his own arrangements and any extra claim on account of this will not be entertained. Temporary Power supply if required for construction purpose will be arranged by TSTRANSCO at one point in the Substation site from DISCOM. Further cabling up to the Contractor's office/works is in the Contractor's scope only.

20. PENALTIES IMPOSED FOR DEFICIENCIES IN QUALITY OF WORKS:

During execution of works, if any deficiencies in quality of works/materials are found in deviation to the Specification/Agreement, penalty shall be levied as per clause (6.2) of Section-II, Volume-I of the Specification.

21. PROVISION OF VEHICLE DURING THE EXECUTION OF LINE WORKS :

The Contractor shall provide one vehicle (car/jeep) till the transmission line works are complete for site / filed visits of the field AEs/AAs of both civil and electrical wings and also Quality control wings from sub-division office to site.

The car/jeep hire charges shall be paid to the Contractor as per the rates indicated in the Sch-B. Non-providing of vehicle as per the requests of the sub-division officer shall attract a penalty of Rs. 500/- per day.

22. EQUIPMENT/MATERIAL REQUIRED FOR THE WORK:

All the equipment/material required under the scope of this contract shall be supplied by you. The standards, workmanship and technical requirements of these equipment / materials shall conform to the relevant standards and Volume-II 'Technical Specification', of the specification No.TST-e-13/2017-18. You shall be responsible for the proper handling and maintenance of these materials up to the time of the handing over of the completed works to the TSTRANSCO and returning of surplus materials if any, at the TSTRANSCO's stores. Yards and stores for stacking of the materials/equipment supplied by you shall be open for inspection by the TSTRANSCO's staff as and when required.

23. REPLACEMENT:

The Contractor is responsible for the safe delivery of material in good condition and in full shape without any shortages at the destination. In the event of the materials handed over to you for the execution of this contract being lost, damaged or destroyed while being in your custody before being handed over to the TSTRANSCO, you shall be liable to make good the loss without any extra cost to the TSTRANSCO.

24. MANUFACTURING CLEARANCE:

Within fifteen days of receipt of this order you are requested to submit the following.

- a) Full particulars of materials to be supplied by you along with Guaranteed Technical Particulars, drawings, type test reports, Quality Assurance Plan for approval.
- b) The detailed program of material manufacture/offer/supply/erection with probable dates.
- c) The detailed program of survey, foundation, erection of towers, stringing and commissioning of line.

Further you are requested to obtain proper approvals for the above before commencing manufacturing of the material. It is mandatory to obtain manufacturing clearance for the quantities of all the material from the Executive Engineer/Construction/Sangareddy as applicable in writing so as to ensure the correctness of the quantities required for the work.

25. DESPATCH INSTRUCTIONS:

The dispatch instructions will be communicated to you while approving the Test Certificates furnished as and when the materials/equipment is inspected. Three copies of test certificates containing the results of all Tests carried out shall be submitted to the Chief Engineer/Transmission and got approved before dispatch.

26. COMPLETENESS OF MATERIAL:

All fittings, accessories and apparatus which may not have been specifically mentioned in the specification, tender or this contract order but which are useful or necessary for the efficient, economic and safe operation of the equipment/ material supplied and for completion of the work, shall be deemed to be included under the scope of the contract and shall be provided by the Contractor without extra charges. All the equipment/ material/ works shall be complete in all respects whether such details are mentioned in this Purchase Order or not.

27. OPERATION AND MAINTENANCE MANUALS:

- 9 copies of Contract Agreements with specification, QAP, all the approved drawings of Materials, GTPs, BOMs, Layout plans etc., shall be supplied by the Contractor to distribute to field Construction and TL & SS wings and to keep the spare records at Head Quarters. The Contractor shall prepare the final tower schedule and shall supply in 10 copies. The cost of the above shall be borne by the Contractor and shall provide as instructed by the concerned Executive Engineer / Construction.

28. SITE STORES:

The Contractor shall establish temporary stores at his cost at the sub-station site for storing material/equipment such as cement, steel, panels etc. This store should be dismantled and site cleared after the completion of the work.

29. CONTRACTOR'S SITE OFFICE:

The CONTRACTOR shall establish a Site Office at the 'Site' and keep posted an authorized representative for the purpose of the 'Contract'. Any written order or instruction of the PURCHASER/ENGINEER or his duly authorized representative shall be communicated to the authorized representative of the CONTRACTOR at the Site Office and the same shall be deemed to have been communicated to the CONTRACTOR at his legal address. A complete set of specifications, drawings and a copy of the contract agreement shall be kept in the site office at all times.

- a. The attested copies of the following shall be invariable kept by the Contractor at the site office and Substation site / Line Site locations and shall have access to the Field Engineers and Inspecting officers.
- i) Agreement copy along with price schedules.
 - ii) Volumen-1 and Volume-2 of the Specification.
 - iii) Approved copies of Guaranteed Technical particulars of materials / equipment, BOMs, approved drawings for all structures, foundations, equipment and materials.

iv) Applicable Technical Standards like IS and ISS which are mentioned in the Volume-2 of the specification.

b. In cases where 'New works' are taken up as 'supplemental items' under the 'Original Agreement' all the above documents related to the extent of these new works also shall be made available at Site / locations.

30. AGREEMENT:

30.1 The Superintending Engineer / OMC/Sangareddy shall be the agreement authority and the Contractor shall attend the office of the SE/OMC within 15 days of the detailed order to enter in to an agreement. The Superintending Engineer/OMC/ Sangareddy shall enter an agreement with the Contractor duly verifying the following.

- i. The PAN card, GST registration, Labour license, valid A-grade electrical license to execute EHT works in A.P/TS.
- ii. Valid Performance Bank Guarantee.
- iii. Authorization/power of attorney of the Contractor representative to sign the agreement.

30.2 The following documents shall also be made part of the agreement.

- i. The copy of the letter of intent.
- ii. The copy of the Purchase order.
- iii. The copy of the volume-1 of the specification.
- iv. Copy of the Performance Bank Guarantee and its approval.
- v. Authorization / power of attorney of the Contractor representative to sign the agreement.
- vi. Copies of the statutory registrations of the Contractor etc.,

You are requested to contact the concerned Superintending Engineer/OMC for concluding the agreement with you. Agreement should be entered in to with the concerned Superintending Engineer/OMC after payment of Performance security as per clause (13).

31. SUB CONTRACTOR AND SUB ORDERS: The Contractor shall carry out all the works mentioned in the schedules by their company only. **Sub-contracting or sub ordering is not allowed by TSTRANSCO.**

32. MANAGEMENT /CO-ORDINATION MEETINGS:

Monthly / Fortnight review of works shall be conducted by the Superintending Engineer/ OMC or Chief Engineer / Zone or Chief Engineer / Construction. The Contractor or his representative shall invariably attend the meetings whenever called. The representative of the Contractor who attends the kick-off meetings and review meetings shall be qualified and shall be authorized by the Contractor with the details of qualification and responsibility and designation of the authorized person.

Superintending Engineer/OMC shall conduct Monthly review meeting with Contractor and record the reasons for delay and any other bottlenecks based on the weekly dairy of the work done jointly recorded by Assistant Engineer/ Construction or Assistant Executive Engineer/ Construction, and the Contractor.

Superintending Engineer/OMC to submit copies of minutes of monthly review meeting with the Contractors to headquarters

A weekly dairy of work done during the week on day to day basis should be prepared on the last working day of the week and should be submitted to the Executive Engineer/ Construction jointly signed by concerned Assistant Engineer/Assistant Executive Engineer (Construction) and Contractor's authorized representative.

33. EARLY WARNING: The Contractor has to intimate the TSTRANSCO at the earliest opportunity of specific likely future events or circumstances, which may adversely affect the Project Implementation Schedule. The Contractor shall cooperate with the officers of TSTRANSCO in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced.

34. ERECTION WASTAGES & LOSSES:

The Contractor will be allowed/supplied with the following maximum additional quantities of transmission line materials to cover damages and losses during erection.

- | | | | |
|------|--|---|--|
| i) | Disc insulators | : | Up to 1% of the quantity |
| ii) | Conductor and earthwire | : | Up to 1% of the route length of the line for each conductor/earthwire. (The 1% wastage includes the additional lengths required to account for sag and jumpers). |
| iii) | Hardware & accessories for conductor, Earth wire and bolts & nuts and washers. | : | Up to 2% of the quantity of hardware & accessories required for conductor & Earth wire and bolts & nuts and washers. |

35. MEASUREMENT OF WORK AND PROGRESS PAYMENTS:

The PURCHASER/ENGINEER may, from time to time, intimate the CONTRACTOR that he requires the works to be measured and the CONTRACTOR shall attend or send a qualified agent to assist the PURCHASER/ENGINEER or his representative in taking such measurements and calculations and to furnish all particulars as may be required by him.

Where the erection of equipment, vessels and structural steel is involved, the basis of such measurements and progress evaluation shall be weights specified in the bidding documents or invoices or drawings as decided by the PURCHASER/ ENGINEER.

Should the CONTRACTOR not attend or neglect or omit to send such agents, then the measurement taken by the PURCHASER/ENGINEER or approved by him shall be taken to be the correct measurements of the work. The CONTRACTOR or his agent may, at the time of measurement, take such notes of measurements as he may require.

36. PHOTOGRAPHS AND PROGRESS REPORTS:

Contractor shall furnish three (3) prints to the PURCHASER/ENGINEER of progress photographs of the work done at 'Site'. Photographs shall be taken when and where indicated by the PURCHASER/ENGINEER or his representative. Photographs shall be adequate in size and number to indicate various stages of erection. Each photograph shall contain the date, the name of the CONTRACTOR and the title of the photograph. Normally photographs may be taken once every 15 days and for all special events.

The above photographs shall accompany the fortnight/ monthly progress report detailing out the progress achieved on all erection activities as compared to the schedules. The report shall also indicate the reasons for the variance between the scheduled and actual progress and the action proposed for corrective measures wherever necessary. The Contractor shall furnish progress reports as and when requested by the PURCHASER/ ENGINEER.

Photographs shall be taken by the Contractor for each tower location of EHT lines in the following stages of

1. After excavation is over in normal soils.
2. Before and after blasting in Hard rock soils.
3. During dewatering.
4. During concreting.
5. Shoring & strutting.

For Substations/Bays:

At all important stages like leveling, foundations, laying of slab etc;
The photographs should be clear and hard copy or soft copy(2Nos) shall be submitted to the Engineer in charge immediately

The photographs should be clear. Bidder/Contractor shall submit both hard copy and soft copy (2 sets) to the Engineer in charge immediately.

37. WAY LEAVES & TREE CUTTING IN TRANSMISSION LINE CORRIDOR:

Payment of compensation for damaged crops or fruit bearing trees shall be initially made by the Contractor, which will be reimbursed by TSTRANSCO later on. The compensation so payable in respect of damaged crops shall be based on the assessment of MRO. In respect of the trees, compensation shall be payable as per the guidelines issued in T.O.O. Dir (Transmission) Ms. No.238, dated 10/11/2006. The Contractor shall take up the payment of compensation amount only after written approval by the Executive Engineer. The Contractor shall pay 75% of the compensation in pursuance with the early completion of work. The payment through Account payee cheques shall be done in the presence of Assistant Engineer.

However after finalization of compensation of amounts by the department, the balance amount shall also be paid by the Contractor and can claim for the reimbursement of the actuals based on the estimates sanctioned by the department and on production of the copies of the cheques given to the land owners/farmers and on production of the receipts/ acknowledgments taken from the land owners. The Superintending Engineer/ Construction shall finalize the compensation claims.

38. RESPONSIBILITY OF THE CONTRACTOR:

The Contractor is responsible for the safe delivery of the goods in good condition at destination and execution of the works ensuring quality. He should acquaint himself of the Conditions obtaining in regard to supply of the materials. To mobilize and plan for the labour and TSTRANSCO shall not be responsible for any mismatch of work on account of whatever so the reasons and the successful bidder has to bear the costs towards ideal labour on account of mismatch of work if any. To submit the work/ material bills, (preferably monthly for work bills and for materials immediately after receipt of them at site) promptly and submit all the required enclosures without fail. TSTRANSCO shall not be responsible for any delayed payments whatever so the reasons. The bidders are requested to study all the existing Conditions and all the above aspects of the project while quoting itself and no extra claim will be entertained on the above reasons.

39. RISK:

Risk of TSTRANSCO's property is entirely on you till all the works are completed and handed over to TSTRANSCO. Any damage done to TSTRANSCO's property, public property and private property shall be made good by you at your cost.

40. USAGE OF HARD ROCK:

If any hard rock is met during excavation, it may be used for work duly getting approval from the concerned Executive Engineer/Civil. The rate estimated by the Executive Engineer/Civil will be deducted from your bills.

41. EXTENSION OF THE COMPLETION DATE:

When a work cannot be completed within the Completion Period indicated for reasons beyond the control of the Contractor i.e. due to Force Majeure Conditions mentioned below or due to the reasons attributable to TSTRANSCO, the Contractor shall represent for the same and extension of time without levying penalty shall be granted only on the issue of an undertaking by the Contractor that they will not put forth at a later date, any claims for extra payments towards increased overheads, material/ equipment/works costs etc. during the extended period. It is the sole discretion of the TSTRANSCO to grant extension of Completion Period.

4.2 FORCE MAJEURE:

- 42.1 The Contractor will not be liable for forfeiture of its performance security, penalty for late delivery, or Termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the contract is the result of an event of Force Majeure.
- 42.2 For purposes of this clause, "Force Majeure" means an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but are not restricted to, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 42.3. If a Force Majeure situation arises, within 15 days from the date of eventuality the Contractor shall notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Contractor shall continue to perform their obligations under the Contract as far as it is reasonably practice, and will seek all reasonable alternative means for performance not prevented by the Force Majeure event.

43. DELAYS ORDERED BY THE PURCHASER

TSTRANSCO reserves the right to suspend and reinstate execution of whole or any part of the Works without invalidating the provisions of the contract. Orders for suspension or reinstatement of the Works will be issued by the Engineer to the Contractor in writing. The time for completion of the works will be extended suitably to account for duration of the suspension. Any costs incurred by the Contractor due to increased overheads, idling of labour etc., as a result of such suspension will not be reimbursed to the Contractor.

44. CLAIMS DUE TO DELAYS BEYOND CONTRACTOR'S CONTROL:

The Contractor shall not be entitled to claim compensation on account of delays or hindrances to the works for any cause whatsoever. Should the cause of delay or hindrance not be the responsibility of the Contractor, the Chief Engineer will consider whether it is possible or not to grant extension of time to compensate for this delay or hindrance. The Contractor will not, however, be eligible for any compensation by way of increase in the rates for the works executed beyond the contract period.

45. RECOVERY OF MONEY FROM CONTRACTOR IN CERTAIN CASES:

In every case in which provision is made for recovery of money from the Contractor, the TSTRANSCO 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 present and/or under any other contract or contracts or any other account whatsoever, including Bank Guarantees, Bid Security/Performance Security etc., held up by the TSTRANSCO.

46. DESIGNS AND DRAWINGS:

Foundation drawings will be furnished by the department.

TSTRANSCO has provided scanned copies of approved drawings in TSTRANSCO website. The Contractor may download the approved drawings from the TSTRANSCO website and utilize for execution of subject work. Approval of drawings by TSTRANSCO shall not absolve you from your responsibility of correctness thereof or from the results arising out of error or omission therein or from any obligation or liability under the contract. Any supplementary drawings necessary to permit the complete design of the installation prior to receiving the equipment shall also be supplied. Six sets of all approved drawings and one set of reproducible drawings shall be furnished by you. One set of drawings and instruction manuals shall be sent along with the equipment at the time of dispatch. Copies of the drawings and manuals shall also be sent to other offices as indicated below.

Consignee	: One set of approved drawings for each consignment.
Paying officer	: Two sets of drawings and instruction manuals.
Concerned Executive Engineer/CONSTRUCTION	: Two sets of drawings and instruction manuals
To this office	: Four sets

Erection, operation and maintenance manuals shall be supplied as follows with the equipment:

Consignee	: One set for each consignment.
Paying officer	: Two sets
Concerned Executive Engineer/ Construction	: Two sets
To this office	: Six sets

47. ACCOUNTING OF SURPLUS MATERIALS/ SETTLEMENT OF MATERIAL ACCOUNT:

- 47.1(a) On completion of works, all the surplus material which has been already billed by Contractor to Transco but not used by Contractor in the project, shall be handed over at designated TS Transco stores at the cost of the Contractor within the time limit of 2 months of commissioning of the project. However if the material is not handed over within such time limit or in the opinion of designate officer of TS Transco who is in-charge of the works, such material is not in fit condition for use, such material shall be retained by the Contractor and recovery shall be made from Contractor at the rate as per the contract rate
- (b) In exceptional cases, in order to expedite work progress, whenever TS Transco issues the material from its stores on returnable basis to the Contractor, the Contractor shall return such material within 30 days from the date of issue of such material along with the interest on the value of such material at the rate of 2% per month or part thereof. However if Contractor fails to return material within 30 days of issue of such material, the material shall be deemed to have been sold to Contractor on the date of its issue to Contractor at a price which shall be 150% of the procurement cost and such cost shall be recovered from Contractor along with the interest at 2% per month or part thereof from the date of issue of material till amount is recovered.
- 47.2 All the balance works if any shall have to be executed by the Contractor within two months of charging of Substation / line. If the Contractor fails to complete the balance works within the above time schedule the works will be executed by the other agencies and will back charge to the Contractor. However the completed works shall be handed over to TL & SS wing by construction wing within 3 months after commissioning.

48.FINAL ACCOUNT:

- a) Not later than one (1) month after handing over of the works complete in all respects i.e., after successful testing and commissioning, the Contractor shall submit a draft statement of 'final account' and supporting document to the Engineer/Engineer's Representative showing in detail the value of the work done in accordance with the contract.
- b) Within one (1) month after receipt of the Draft Final Account and all information reasonably required for its verification, the Engineer/Engineer's representative shall determine the value of all matters to which the Contractor is entitled to under the contract. The Engineer/Engineer's representative shall then issue to the Contractor a statement showing the final amount to which the Contractor is entitled to under the contract.
- c) The Contractor shall sign the Final Account as an acknowledgement of the full and final value of the work performed under the contract and shall promptly submit a signed copy to the Engineer/Engineer's representative.
- d) On receipt of Final Account, the Engineer/Engineer's representative shall promptly prepare and issue to the Contractor a "Final Payment Certificate" certifying any further amounts due to the Contractor in respect of the contract.
- e) If the Contractor does not finalize the material account within 2 months from the date of completion of works/ handing over of works, the field Executive Engineer will prepare the final bill duly deducting the cost of all the unaccounted / unhanded over material and will issue a notice to the Contractor for signing on the bill. If the Contractor do not turn-up within 15 days of that notice, the bill will be processed without signatures of the Contractor. The cost of the unaccounted material will be taken as per Clause 46 above.

49. TECHNICAL AUDIT:

- i) All the completed works shall be technically audited by Quality Assurance wing within two months of the completion/ commissioning of the project for the correctness of project in Terms of agreements, specifications, detailed project report/ technical sanction, deviation in quantities & rates.
- ii) All the remarks which are pointed out by Quality wing in the above technical audit shall invariably attend by CONSTRUCTION within one month and in case the remarks are pertaining to the execution of work which is in the scope of the agreement, the Contractor has to attend the remarks without insisting of any additional payment.
- iii) *Contractor must be held responsible for rectification/completion of works as on date of commissioning and for defects within the warranty period.*
- iv) *However all the liabilities of the Contractor covered under performance guarantee period shall hold good.*

50. TAKING OVER:

Upon successful completion of all the commissioning Tests to be performed at site on equipment furnished and erected by the Bidder, and on successful commissioning of the project, the purchaser shall issue to the Contractor 'a taking over Certificate' as a proof of the final acceptance of the project. However such taking over certificate will be issued only after

handing over of all the manuals, drawings, tower schedules as per Clause 46 above and after settlement of materials account and final bill.

51. CORRESPONDENCE:

The officers mentioned under Paragraphs(15) &(30) of this contract award letter will be in charge of the works covered by this contract. All matters relating to field work, completion, handing over and payments shall be referred to them with copies marked to this office and Chief Engineer/Zone/Warangal.

52. JURISDICTION:

Any and all disputes or differences arising out of or touching this order shall be decided by a panel of arbitrators as detailed below.

<u>Value of claim</u>	<u>Panel of arbitrators</u>
i) Disputes involving amounts up to Rs. 10,000/-	Superintending Engineer of TSTRANSCO other than the circle to which the dispute relates.
ii) Disputes involving amounts of above Rs. 10,000/- but less than Rs. 50,000/-	Any Chief Engineer of TSTRANSCO,
iii) There shall not be any reference of disputes, the value of which is above Rs.50,000 /- to arbitration. The parties shall approach the competent Civil Courts situated in Hyderabad / Secunderabad only, if any such disputes arise.	

53. APPROVAL OF SUB-VENDORS FOR EQUIPMENT/MATERIALS:

The materials / equipment required for this project shall be invariably purchased from the manufacturers listed in the specification who have already supplied similar materials to TSTRANSCO and have proven performance.

54. TERMINATION OF CONTRACT:

If it is found that Progress of works are not commensurate with the program of completion or if the Contractor does not fulfill his obligations as per the Terms of the specification TSTRANSCO will be entitled to Terminate the contract in part or full by giving 15 days notice and get the balance works completed through other agencies at the Contractor's cost and risk. Warning letters will be issued by Superintending Engineer/ Construction or/and Chief Engineer / Zone or/and Chief Engineer / Transmission if the progress is not satisfactory. If the progress continues to be poor even after the second warning letter, show cause notice / final notice will be issued by the Superintending Engineer/ Construction. If no satisfactory reply is received or the progress of the works are not improved within 15 days of issue of the final notice / show cause notice, the Superintending Engineer / Construction or/and Chief Engineer / Transmission shall Terminate the agreement, which will be followed by stoppage of all payments to the Contractor, encashment of the BGs, and after Termination of contract the balance works / supplies shall be completed through alternate agencies at Contractor's risk and cost. **The Contractor so penalized shall be blacklisted for 3 years from the date of Termination of contract.**

In the event of Termination of contract due to delay attributable to the Contractor, TSTRANSCO is entitled to get back equipment/ material from the Contractor for the payment already made but the material is not put to use, and then get the works done by other agency/ agencies for completion of contract by using the said recovered material. The Contractor shall have no objection in this regard.

55. ACKNOWLEDGEMENT:

Please acknowledge the receipt of this Order with a confirmation of the acceptance of its contents by you and the extra copy of the order enclosed may please be returned with your signature with date in token of your acceptance, within 15 days from the date of issue of this letter.

Encl.: schedules.

Yours faithfully,

**CHIEF ENGINEER
CONSTRUCTION
(ACTING FOR AND ON BEHALF OF
THE TRANSMISSION CORPORATION
OF TSLTD.)**

WE ACCEPT THE TERMS AND CONDITIONS OF THIS ORDER.

**SIGNATURE OF THE CONTRACTOR
WITH SEAL AND DATE**

Copies to: The Executive Director/Finance/TSTRANSCO/VS/Hyderabad.
The Chief Engineer/Rural Zone /TSTRANSCO/Hyderabad.
The Chief Engineer/Civil /TSTRANSCO/VS/Hyderabad.
The Chief Engineer /Telecom/TSTRANSCO/VS/Hyderabad.
The Superintending Engineer/OMC/Sangareddy (*) – 2 copies
The Superintending Engineer/Civil/TSTRANSCO/Sangareddy.
The Executive Engineer/ Construction /TSTRANSCO/ Sangareddy
The Executive Engineer/TLC/Civil/ Sangareddy
The SAO/Pay & Accounts/TSTRANSCO/Vidyut Soudha /Hyderabad.

(*) He is requested to hand over the approved layout/profiles immediately to the Contractor and arrange to enter into an agreement immediately, to enable speedy execution of works.