TRANSMISSION CORPORATION OF TELANGANA LIMITED

From: Executive Director,
Lift Irrigation Schemes,
TSTRANSCO, Vidyut Soudha,
Hyderabad 500 082.
Ph. : 040-2332 3565

To: M/s. Lambourne Projects,
1st Floor,8-2-293/82-j-III/13,Phase-III,
Road No.82,Jubilee Hills,Hyderabad
Telangana-500033

In JV with

M/s. Vaishnavi Electricals Pvt. Ltd.,
Flat No.202,Elegant apartments,
Rajbhavan Road,Somajiguda,Hyderabad,
Telangana-500082

P.O.No. 271/OC-01/2019,ED/LIS/SE(LI)/DE1(LIS)/ADE4/Manchippa /D.No. 44/2019 ,Dt :19 - 01 -2019

Sir,

Sub:- Tender Specification No.03/2018 - Supply, erection, testing and commissioning of the 220/11kV Manchippa Substation for a load of 62MW(2X31MW) including transformers (2x40MVA+ 2x10/16MVA) , 220kV DC line from 400/220kV Dichpally Substation to proposed 220/11kV Manchippa Substation (26 KM) and Erection of 2No. 220kV Bay extensions at 400/220kV Dichpally substation in Nizamabad district on Turnkey basis - Detailed Erection Purchase Order - Issued.

2) Your on-line bid Dated 28.07.2018
3) Your offer for the above bid opened on 21-08-2018 on e-procurement platform
4)This Office LOI vide Lr.No.ED/LIS/SE(LI)/DE(LIS)/ADE4/Manchippa SS/ D.No.901/18, Dt: 12 -11-2018.

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 (3) cited, for Civil and construction works, Erection, Testing and Commissioning of 220/11kV Manchippa Substation for a load of 62MW(2X31MW) including transformers (2x40MVA+ 2x10/16MVA) , 220kV DC line from 400/220kV Dichpally Substation to proposed 220/11kV Manchippa Substation (26 KM) and Erection of 2No. 220kV Bay extensions at 400/220kV Dichpally substation in Nizamabad district on turnkey basis as per the terms and conditions of Specification No. e-TSTLI-03/2018 and award for a total value of and award for a total value of Rs. 9,71,99,554.16/- (Rupees Nine Crores Seventy One Lakhs Ninety Nine thousand Five hundred Fifty Four and paise One Six only) as detailed in the schedule enclosed, subject to the conditions set out in this order. This order confirms the Letter of Intent issued vide this office letter (4) cited.
2. SCOPE OF THE CONTRACT:

This contract relates to the construction, erection, testing & commissioning of subject 220/11kV substation and connected 220 kV transmission line as per the terms and conditions in Specification No. e-TSTLI-03/2018, except those modified in this contract award letter. The rates indicated in Schedule-B appended to this Order are inclusive of all taxes and duties, as per your offer vide references (2nd) cited. The material that is to be supplied by you shall be delivered at the places of work sites. The material that will be issued by TTRANSCO shall be taken delivery from TTRANSCO Stores and transported to site at your cost. Any surplus material to be returned by you shall also be devoluted at TLC Stores, TTRANSCO at your cost.

ABSTRACT OF SCHEDULES:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Schedule B (Labour-Electrical &amp; Telecom Portion)</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Electrical - Sub-Station including project insurance -B1</td>
<td>Rs. 18,794,007.91</td>
</tr>
<tr>
<td>2</td>
<td>Electrical -Line -B2</td>
<td>Rs. 18,202,913.63</td>
</tr>
<tr>
<td>3</td>
<td>Electrical-Bay -B3</td>
<td>Rs. 4,550,351.62</td>
</tr>
<tr>
<td>4</td>
<td>Telecom-Line -B4</td>
<td>Rs. 2,608,185.94</td>
</tr>
<tr>
<td>5</td>
<td>Telecom-SubStation -B5</td>
<td>Rs. 30,569.27</td>
</tr>
<tr>
<td>II</td>
<td>Schedule B (Labour-Civil Portion)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Civil -Sub-Station (Schedule-I &amp; II)-B6&amp;B7</td>
<td>Rs. 19,218,588.13</td>
</tr>
<tr>
<td>7</td>
<td>Civil-Line -B8</td>
<td>Rs. 29,295,209.54</td>
</tr>
<tr>
<td>8</td>
<td>Civil-Bay -B9</td>
<td>Rs. 4,499,728.11</td>
</tr>
<tr>
<td></td>
<td>Total of Schedule B</td>
<td>Rs. 9,71,99,554.16</td>
</tr>
</tbody>
</table>

The accepted tender percentage is 4.158% (Less)

3. GENERAL CONDITIONS:

Except where otherwise agreed to in this acceptance letter, all the terms and conditions stipulated in the Specification No. e-TSTLI-03/2018 are binding on you and these shall form part of this contract.
4. **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), confirm 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.

5. **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 over 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.

6. **PRICE VARIATION (PV) Clause:**

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

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

The calculation of Price Variation is as follows.


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.94 Dt16-4-2008 of I & CAD and 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 = (Final Rate – Basic Rate) x Quantity.

c) The adjustment scheme will be applied where the variation (increase or decrease) is more than 5%.
i) 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%). The same shall be followed for negative price variation.

ii) For the time extension due to department fault, both +ve and -ve price variations are applicable.

iii) For the time extension due to contractors fault, only –ve price variation is applicable.

d) The Basic rate of reinforcement steel and cement as taken in the estimate were in Project Data Sheet and are as informed by Government of T.S. for the month of May 2018 i.e Rs. 47,000/- per MT of Reinforcement steel and Rs.4750 per MT of cement for SS, Line & Bay works.

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. Hence GST @ 12% will be applicable on negative and positive price variation amount.

g) There is no ceiling on the Price Variation payment either for decrease or increase in prices in case of civil works.

6.3 The Price adjustment applicable for Earth Flat is as per T.O.O.(CE-Construction-2) MS. No.242, Dt.08.11.2012, T.O.O.(CE-Construction) 50, Dt.10.06.2008 & T.O.O.(CE-Construction) 87, Dt.29.07.2008 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 for 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 \( PV = (\text{Final Rate} - \text{Basic Rate}) \times \text{Quantity} \).

c) The adjustment scheme will be applied where the variation is more than 5%.

(i) 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%). The same shall be followed for negative price variation.

(ii) For the time extension due to department fault, both +ve and -ve price variations are applicable.
(iii) For the time extension due to contractors fault, only –ve price variation is applicable.

d) The Chief Engineer (Transmission) will communicate the monthly rates of Earth Flat.

e) The Basic rates considered in the estimate are (i) M.S. Flat : Rs.43,000/- per MT and (ii) GI Flat : Rs.64,159/- per MT (for the month of April 2018).

f) The final rate of earth flat for the purpose of price variation shall be the rate communicated by the Chief Engineer (Transmission).one month prior to the date of Dispatch/delivery. **The date of delivery shall be the date of receipt of materials in good condition at destination / Site stores (i.e. check measurement date as per Form-13) for the purpose of price variation calculations.**

g) The rate communicated by TSTRANSCO for Earth Flat is exclusive of all taxes and duties. Hence GST @ 12% will be applicable on negative and positive price variation amount

7.1 TAXES AND DUTIES:

The Schedule of prices for Schedule B items are inclusive of GST @12% and Corpus Fund @ 0.1%. This in accordance with GOI notification No. 20/2017, Dt.22.08.2017 for DC Works (Lift Irrigation Projects) for Central Government/State Government /Union Territory /Local authority/ Government Authority /Government Entity

The 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 or 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.

7.2 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.

7.3 INSURANCE:
The Goods supplied under this Contract shall be fully insured against loss or damage Incidental to manufacture or acquisition, transportation, storage, delivery and erection. In case of domestic goods the insurance shall be at least for an amount equal to 110% of the cost of the goods from "warehouse to warehouse (final destination)" and storage up to commissioning thereafter on "All Risks" basis including War Risks and Strike Clauses.

You shall have the insurance coverage as specified under Clauses (2.4), Section-II, “Financial” Volume-I of Specification No.e-TSTLI-03/2018. All insurance premiums shall be borne by you.

7.4 SEIGNORAGE CHARGES:

Seignorage charges shall 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.

7.5 LABOUR CESS:

Labour Cess at applicable rate will be deducted in the work bills (Present rate 1%)

7.6 STATUTORY VARIATION:

Any variation up or down in statutory levy or new levies introduced after Tender calling date under this specification will be to the account of TSTRANSCO. In cases where delivery/ completion schedule is not adhered to by the contractor and there is 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 have to 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 with in the scheduled completion period.

8.1 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 Executive Director/LIS, well in advance and take prior orders forgoing 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:

8.1.1 **For increase in quantities:** The rates awarded in the contract are applicable for any increase in quantities of works.

8.2 **Supplemental / New Items:**

i) For the items relating to the Schedule-B where the rate can be deducted 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 and without applying tender percentage.

8.3 The contractor shall plan and procure the materials indicated in the Purchase Order for schedule ‘B’ (which are intended for subject works) duly verifying with the approved layout and profile, so that the procured quantities match with actual requirement to avoid excess supply of materials.

8.4 The Schedule time required to complete the new / supplemental items including the balance work will be indicated in the approval letter issued for new / supplemental items.

9. **EXECUTION OF WORKS NOT COVERED BY THE CONTRACT:**

If in the course of the execution of works against the contract, 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 mutually agreed rates keeping in view the departmental estimated rates. All such items of works shall, however, be executed only on directions by this office in writing.

10. **TERMS OF PAYMENT:**
A) All the payments will be made to you in the following proportion.

i) Payments will be made up to 90% of the monthly bills for the items of works completed during the month at the rates approved in the schedule-B. For this purpose you shall submit monthly bills to the Executive Engineer regularly to ensure payments in time. You 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.

a) Copies of the invoices showing Contract No., Goods description, quantity, unit price and total amount.

b) Acknowledgement of receipt of material from consignee i.e. Form-13

c) Acknowledgment of Consignee on Delivery Challan in original.

d) Detailed packing list

e) Documentary proof for the freight

f) Copy of the Lorry receipt.

g) Copies of Insurance Certificate / policies

h) Test certificates approval and Dispatch clearance. (Not applicable for furniture, T&P and general items)

i) Certificate certifying that the defects, if any, pointed out during inspection have been rectified.

j) The payments against Schedule-B are subject to availability of Performance Security with a validity of 12 months as on the date of Check Measurement for proper fulfillment of performance obligations.

k) No payments will be made for the supplies made prior to scheduled delivery date or for materials which are not in full shape.

11.1 Payments will be made by cheque’s / by way of Electronic Fund Transfer / RTGS from TSRANSCO funds or Bulk Load funds. 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, Bank charges etc are to be borne by the contractor.

Bank account details for payment through RTGS system:
1. Name of the Bank: HDFC Bank
2. Name of the Branch: 8-1-300/2,shaikpet,Hyderabad
3. Branch Code: 1629
4. City: Hyderabad
5. Account No.: 50200031584282
6. MICR No.: 500240037
7. IFSC No.: HDFC0001629
8. Income Tax PAN No.: AAFFL7985C
9. GST Registration No.: 36AAFFL7985C1Z1
10. Date of GST Registration: 28-06-2017
11. Place of GST Registration: Hyderabad

11.2 The performance guarantee to be executed in accordance with this specification will be furnished on a stamp paper of TS for a value of Rs.100/-. The bank Guarantee will be extended if required suitably.

11.3 If the supplier has received any over payments by mistake or if any amounts are due to the TSTRANSCO due to any other reason, when it is not possible to recover such amounts under the contract resulting out of this specification, the TSTRANSCO reserves the right to collect the same from any other amount and / or Bank Guarantees given by the company due to or with the TSTRANSCO.

11.4 For the payment in advance before the “scheduled date of payment”, the vendors can directly access the concerned ED(Finance) requesting advance payment against the discount offered.

12. WAY LEAVES & TREE CUTTING

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, Dt.10.11.2006. The contractor shall take up the payment of compensation amount only after written approval by the Executive Engineer/concerned. 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/ concerned. However after
finalization of compensation amounts by the department, the balance amount shall also be paid by
the contractor and can claim for 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/LIS concerned shall finalize the compensation claims.

13. COMPLETION PERIOD:

The completion period of Substation, bay and transmission line is indicated in the table
below and the commencement date of the Project will be reckoned as follows:

"For Lines

The period of completion of line will be reckoned from the date of Purchase Order or
Handing Over of Profiles by TSTRANSCO to the contractor whichever is later.

For SS

The period of completion of SS will be reckoned from the date of Purchase Order or
Handing Over of Site/Approved Layout by TSTRANSCO to the contractor whichever is later.

For Bay Extension:

The period of completion of SS will be reckoned from the date of Purchase Order / Handing
Over of Site by TSTRANSCO to the contractor whichever is later.

All activities including submission of drawings for approval, arranging inspection of
materials shall be completed in this period:

<table>
<thead>
<tr>
<th>Supply, erection, testing and commissioning of the following works on Turnkey basis</th>
<th>Completion period</th>
</tr>
</thead>
<tbody>
<tr>
<td>i 220/11k ManchippaSS</td>
<td>09 (Nine) Months</td>
</tr>
<tr>
<td>ii 220kV DC line from 400/220kV Dichpally Substation to proposed 220/11kV Manchippa Substation (26km) in Nizamabad district</td>
<td></td>
</tr>
<tr>
<td>iii Erection of 2No.s 220kV BAY extensions at 400/220kV Dichpally substation in Nizamabad district</td>
<td></td>
</tr>
</tbody>
</table>

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 the deemed date of handing over of approved profiles and layout and will be taken as date
of commencement of work.

The detailed program for execution of works/supplies i.e., PERT chart shall be given by
the contractor in the kickoff meeting to be held within 15 days from the date of issue of Letter
of Intent. The contractor shall execute all the works / supplies as per the PERT chart.

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 under signed.

The contractor shall submit bar chart pertaining to Supply of material/ execution of works for approval during the kick-off-meeting.

During the kick-off-meeting TSTRANSCO will communicate bar-chart indicating break up of percentage (%) of line profiles that will be handover to the contractor.

TSTRANSCO also will furnish work chart with regard to supply of materials like panels/Telecom equipment etc., to optimize the resources and to ensure speedy completion of work.

The contractor shall obtain clarifications related to all technical matters from the concerned Superintending Engineer/LIS. The Superintending Engineer/LIS shall arrange to hand over the approved layout, Final Ground Level for substation and approved profile for line on the day of kickoff meeting.

14.1 PENALTY FOR LATE COMPLETION:

The completion period mentioned above is the essence of the 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 Contractor 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 contractor. This is in addition to the right of the TSTRANSCO to recover any damages from the contractor and also blacklisting.

In case the contractor 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 works or part of balance works executed through other agencies at the risk and cost of the contractor. This is in addition to the right of the TSTRANSCO to recover any damage from the contractor and also blacklisting.

14.2 **PENALTIES IMPOSED FOR DEFICIENCIES IN QUALITY OF WORKS:**

During execution of works, if any deficiencies in quality of works is found in deviation to the Specification/ Agreement, a minimum penalty of Rs.5000 to Rs.30,000/- shall be levied for deficiencies as per each category as mentioned below.

**Category I:** Not using (i) prescribed shoring, shuttering and dewatering equipment, (ii) measurement boxes, (iii) Form boxes for different types of foundations and steel measuring boxes, (iv) not providing adequate number of chairs to the steel reinforcements, (v) not carrying out back filling and compaction of the foundation pits in layers and leveling the tower footings properly, (vi) not ensuring that the excavated earth is dumped at least 2 meters away from the pit etc., and (vii) not providing copings to the tower legs/stubs (viii) not providing water tanker, Earth rammers/Earth vibrators.

**Category II:** Use of reinforcement steel other than TISCO, VSP and SAIL makes, not using vibrators for effective consolidation of the concrete during foundation works, not using proper templates for firmly keeping the stubs in position when templates are supplied by the contractor & improper fixing of stubs, non ensuring of tower verticality, use of rusted stubs and tower parts if supply is by the contractor, non painting of butt joints and rusted stubs with zinc rich paint immediately after erection of the towers & stringing, non fixing of earth flat to the stub, non deployment of technical personnel for supervision of works by the contractor. Also not fixing of vibration dampers firmly, repair sleeves
wherever necessary, not properly fixing of arcing horns both tower side and line side and bird guards etc., as per specification.

**Category III**: Use of improper grade/quality of raw material like H.B.G. metal, water and sand for concreting, using clogged and/or lump/clotted cement for concreting, not ensuring proper curing for foundation concrete, not ensuring that all the members of the tower are placed in position and firmly fixed with bolts and nuts immediately after erection of tower, not ensuring that Half round seam welding of the nuts before stringing of the line.

For the above deficiencies in the quality of works noticed by the Engineer, penalties shall be levied as given below.

<table>
<thead>
<tr>
<th>Type of category</th>
<th>First instance (Rs.)</th>
<th>Second instance (Rs.)</th>
<th>Third instance (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category I</td>
<td>5,000/-</td>
<td>10,000/-</td>
<td>15,000/-</td>
</tr>
<tr>
<td>Category II</td>
<td>7,500/-</td>
<td>15,000/-</td>
<td>22,500/-</td>
</tr>
<tr>
<td>Category III</td>
<td>10,000/-</td>
<td>20,000/-</td>
<td>30,000/-</td>
</tr>
</tbody>
</table>

In the event of fourth instance of noticing the deficiency of quality of works in any of the above categories, the bidder shall be debarred from participating in future tenders for a minimum period of one year.

Non-providing of vehicle as per the requests of the section officer shall attract a penalty of Rs. 500/- per day.

**14.3 Incentives for early completion of the works**: Incentives to executing agencies/contractors will be given for early completion of the transmission line works based on the formula as detailed below.

Incentive Bonus Formula.

\[ I = Z \times \left\{ \frac{Y}{(X/3)} \right\} \times 4\% , \]

Where as
\[ I = \text{Incentive Bonus}, \]
\[ Z = \text{Project cost} \]
\[ Y = \text{Days equivalent to the difference of the Scheduled Project commissioning Date and the Project commissioning date}. \]
\[ X = \text{Time period in days for completion of a Project specified in the Specification/bidding documents of the Project}. \]

However \( Y \) should be > 30 days and Incentive Bonus is limited to 4% of the Project Cost.
Example for a project cost of a line with 10 crores for which the completion period is 12 months (365 days.). If the agency completed the work before 60 days ahead of the schedule.

The bonus is
\[ I = 10 \text{ Cr} \times \left\{ \frac{60}{(365/3)} \right\} \times 4\% = \text{Rs. 19,72,602/-} \] (However the bonus will be limited to 4% of project cost)

Incentives will not be applicable for Substation and Bulk Load, Private Power Project works and DC works. Incentives are applicable for the Transmission lines taken up under capital works. No incentives for lines less than 10KM. Length of line for incentive is the line length specified in the lot.

15. 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. for Rs. 48,59,977.71/- within 15 days from the date of issue of Letter of Intent, for the proper execution / fulfillment of contract with a validity of 12 months over and above the completion period and with two months claim period.

The performance security shall be forfeited if you fail to fulfill the terms of the contract. You shall extend the validity of the performance security as per the terms of the contract as and when requested by TSTRANSCO.

16. PERFORMANCE GUARANTEE:

i) The contractor shall warrant for the satisfactory performance of the materials/equipment supplied and works executed by him, for a minimum period of 12 months from the date of commissioning of the project (Line / Sub-Station / Bay works etc., whichever is later). Where the suppliers/Manufacturers provide longer period of warranty than mentioned above, TSTRANSCO shall be entitled for such longer warranty.

ii) Equipment, sub-assemblies or spares, or parts replaced / repaired under warranty shall have a 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.

17. PAYING OFFICER & CONSIGNEE:

The Paying Officer SE/OMC/Karimnagar and Agreement Authority is Superintending Engineer/ LIS /TSTRANSCO/Karimnagar. The consignee will be concerned Executive Engineer/LIS/Nizamabad. The Agreement authority is the Superintending Engineer/LIS/ Karimnagar

18. 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.
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description of Material</th>
<th>Approved brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Reinforcement and structural steel (Fe 550 grade)</td>
<td>1) VSP 2) SAIL 3) TISCO and 4) IISCO</td>
</tr>
</tbody>
</table>

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.

19. 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.

20.1 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 on 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/Civil concerned for the various works covered by schedules.

20.2 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.

20.3 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. 2.00 Crores (excluding tax component). List of testing equipment to be kept in the field laboratory is listed below.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Description of testing Apparatus/Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Standard Cone Penetration Test Equipment.</td>
</tr>
<tr>
<td>5.</td>
<td>Concrete Test Hammer.</td>
</tr>
<tr>
<td>6.</td>
<td>Slump Cone Test Apparatus.</td>
</tr>
<tr>
<td>7.</td>
<td>Vicat Needle Apparatus.</td>
</tr>
<tr>
<td>8.</td>
<td>Sieve Analysis Apparatus for fine and coarse aggregates.</td>
</tr>
<tr>
<td>10.</td>
<td>Auto level, Theodalite, Chains and Ranging rods.</td>
</tr>
</tbody>
</table>

Note: In addition to the above field tests, the contractor has to 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.

20.4 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.

20.5 Cost of tests not provided for: TSTRANSCO may decide to conduct certain other tests not covered in this specification on the materials to be supplied, 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 shall be replaced with new one conforming to specification at Contractor’s cost.

20.6 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 places 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.

20.7 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.

20.8 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.

20.9 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.

20.10 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.

20.11 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 material/equipment, the CONTRACTOR shall make good 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.

20.12 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.

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

The contractor shall provide experienced, technically qualified supervising Engineers for the
supervision of works. 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.

<table>
<thead>
<tr>
<th>Work</th>
<th>Technical Personnel to be employed by the Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>220 kV or 132 kV Sub-Station or Switching Station</td>
<td>1 B.Tech / B.E Electrical +1 B.Tech / B.E Civil + 1 Diploma Electrical</td>
</tr>
<tr>
<td>220 KV or 132 kV Line</td>
<td>1 Diploma Electrical +1 Diploma Civil</td>
</tr>
<tr>
<td>220kV/132 kV bays</td>
<td>1 Diploma Electrical / Civil</td>
</tr>
</tbody>
</table>

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.

21. WATER & POWER: The contractor 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 Sub-station site will be the contractor’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 contractor 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 Sub-Station site from DISCOM. Further cabling up to the contractor’s office/works is in the contractor’s scope only.

22. 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.

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

The contractor shall provide one vehicle (Jeep) till the works are completed for site / filed visits of the field AEs/AAEs of both civil and electrical wings. The hire charges will be paid to the contractor as per the rates indicated in the Schedule-B. Non-providing of vehicle as per the requests of the section officer shall attract a penalty of Rs. 500/- per day.

24. 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.e-TSTLI-03/2018. 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.

25. 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.

26. 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 for inspection/ 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-I/LIS/ Divn/TSTRANSCO/ Nizamabad on writing so as to ensure the correctness of the quantities required for the work.

27. DISPATCH 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 Executive Director/LIS and got approved before dispatch.

28. 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.

29. OPERATION AND MAINTENANCE MANUALS:

10 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 Executive Engineer / Construction.

30. 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.

31. 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 invariable be kept by the Contractor at the site office and Sub-Station site / Line Site locations and shall have access to the Field Engineers and Inspecting officers.
   i) Agreement copy along with price schedules.
   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.

32. AGREEMENT:
32.1 The Superintending Engineer/ LIS /TSTRANSCO/Karimnagar is the overall incharge of the work and the agreement authority. The Executive Engineer/ LIS/ Divn/TSTRANSCO/ Nizamabad and Assistant Executive Engineer/LIS/ Divn/TSTRANSCO/Nizamabad will be incharge of execution of the work. The contractor shall attend the office of the SE/LIS within 15 days of the detailed order to enter into an agreement. The Superintending Engineer/LIS/ Karimnagar shall enter into 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 T.S.
   ii) Valid Performance Bank Guarantee.
   iii) Authorization / power of attorney of the contractor representative to sign the agreement.

32.2 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.

32.3 SUB CONTRACTOR AND SUB ORDERS:

The successful Bidder shall carry out all the works mentioned in the schedules by their company only. Sub-contracting or sub ordering is not allowed by TSTRANSCO.
33. MANAGEMENT / CO-ORDINATION MEETINGS:

Monthly / Fortnight review of works shall be conducted by the Superintending Engineer/LIS or Executive Director/LIS. 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/LIS/Karimnagar 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/LIS 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/LIS jointly signed by concerned Assistant Engineer/Assistant Executive Engineer/LIS and Contractor’s authorized representative.

34. 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.

35. 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.
36. **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.

37. **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 Sub-Station:
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

38. 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/ LIS shall finalize the compensation
claims.

39. RESPONSIBILITY OF THE CONTRACTOR:

The contractor is responsible
i) 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.

ii) To mobilize and plan for the labour and TSTRANSCO shall not be responsible for any
mismatch of work on account of whatever be the reasons and the contractor has to bear the
costs towards idle labour on account of mismatch of work if any.

iii) 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.
40. **RISK:**

Risk of TSTRANSCO’s property is entirely on the contractor 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.

41. **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.

42. **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.

43. **FORCE MAJEURE:**

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.

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.

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.
44. **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.

45. **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 Executive Director/LIS 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.

46. **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.

47. **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

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

48.1 On completion of the works, all surplus materials, for which payments have been made by the TSTRANSCO or materials issued by TSTRANSCO for works if any, shall be handed over to the Engineer at TSTRANSCO’s designated stores at the cost of the contractor within a time limit of 2 months of commissioning of the project. If the materials are not returned and are in the opinion of the Executive Engineer in-charge of the work, not in a fit condition for use, they will be treated as sold to the contractor at DOUBLE the rate of issue of material and recoveries made from contractor’s bill accordingly.

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.
48.2 All the balance works if any shall have to be executed by the contractor within two months of charging of Sub-Station/Line. If the Contractor fails to complete the balance works within the above time schedule, the works will be executed by other agencies and will be back charged to the contractor. However, the completed works shall be handed over to OMC wing within 3 months after commissioning.

49. 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/handling 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 does 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.
50. 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.
   
   i) 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.
   
   ii) Contractor must be held responsible for rectification/completion of works as on date of commissioning and for defects within the warranty period.
   
   iii) However, all the liabilities of the contractor covered under performance guarantee period shall hold good.

51. TAKING OVER:
   Upon successful completion of all the commissioning tests to be performed at site on equipment furnished and erected, 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 29 above and after settlement of material account and final bill.

52. CORRESPONDENCE:
   The officers mentioned under Paragraphs (17) 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.

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. **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.

<table>
<thead>
<tr>
<th>Value of claim</th>
<th>Panel of arbitrators</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Disputes involving amounts up to Rs. 10,000/-</td>
<td>Superintending Engineer of TSTRANSCO other than the circle to which the dispute relates.</td>
</tr>
<tr>
<td>ii) Disputes involving amounts of above Rs. 10,000/- but less than Rs. 50,000/-</td>
<td>Any Chief Engineer of TSTRANSCO,</td>
</tr>
<tr>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>

55. **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/LIS /and or/and Executive Director /LIS, 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/LIS. 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/LIS or/and Executive Director/LIS, 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 will 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 which the payment is 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.

56. **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:-
Extra copy of the contract
award letter with Price Schedules

Yours faithfully,

**EXECUTIVE DIRECTOR**
**LIFT IRRIGATION SCHEMES**
(Acting for and on behalf of the
**TRANSMISSION CORPORATION OF TELANGANA LTD.**)

WE ACCEPT THE TERMS AND CONDITIONS OF THIS ORDER.

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

**Copy communicated to:**

1. The Executive Director/Finance/TSTRANSCO/Vidyut Soudha /Hyderabad

**Copy to**

2. The Chief Engineer/ SLDC /TSTRANSCO/Vidyut Soudha/ Hyderabad.
3. The Chief Engineer/ Telecom/TSTRANSCO/Vidyut Soudha/ Hyderabad.
4. FA&CCA(Accounts)/TSTRANSCO/ Vidyut Soudha/ Hyderabad
5. The Superintending Engineer/LIS/TSTRANSCO/Karimnagar. (*)
6. The Superintending Engineer/Telecom/TSTRANSCO/Karimnagar. (*)
7. The Superintending Engineer/OMC/TSTRANSCO/Karimnagar.
8. The Superintending Engineer/Civil/TSTRANSCO/Karimnagar. (*)
10. The Executive Engineer /LIS /TSTRANSCO/Nizamabad. (*)
11. The Executive Engineer /Civil /TSTRANSCO/Nizamabad. (*)
12. The Asst Executive Engineer/LIS/TSTRANSCO/Nizamabad. (*)

(*) It is requested to hand over the sites/layouts/profiles to contractor and enter into an agreement with the contractor immediately. Movement of materials, right of way, statutory clearance etc., shall be arranged well in advance to enable speedy execution of works.

(*) It is requested to maintain two separate M-Books for recording works executed for Bulk Load works (upto metering including yard and Line) and DC works (beyond metering).