

Regd Post with Ack due:

TRANSMISSION CORPORATION OF TELANGANA LIMITED

From:

The Chief Engineer
Telecom, TSTRANSCO
408, A- Block, Vidyuth Soudha
Hyderabad-500082. T.S

To:

M/s. Apar Industries Ltd.,
9th Floor, Flat No.907,
Babu Khan Estate,
Basheer Bagh
Hyderabad-500001. T.S.

Contract award SAP P.O. No: 4500003122/CETC/SETC/EME/ADE-3/OPGW-PSDF/ D.No:
202/2022, Dt: 07.07.2022.

Sirs,

Sub: - **Specification. No. TST –CE/TELECOM-e-08/2021-22 –Package-3:** Survey, Design, Manufacture, Supply and Erection & Commissioning of 1035 km OPGW cable for Implementation of OPGW based Reliable communication and Data Acquisition at 132KV level and above substations of TSTRANSCO in Rural Zone (West) on Turnkey contract basis- Detailed Purchase Order for Material (**Schedule-A**) and Labour (**Schedule-B**) –Issued- Reg.

Ref: - 1.Tender specification No. **TST –CE/TELECOM-e-08/2021-22**

2. Your Bid offer against the Tender Specification No. TST –CE/TELECOM-e-08/2021-22

3.Lr .No.CETC/SETC/EME/ADE3/F.PSDF-LOI/D.No.100 /2022-23, Dt. 19-05-2022

(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 Survey, Design, Manufacture, Supply and Erection & Commissioning of 1035 kms OPGW cable for Implementation of OPGW based Reliable Communication and Data acquisition at 132KV level and above substations of TSTRANSCO in Rural Zone(West) as per Terms & Conditions of Tender Specification No. TST –CE/TELECOM-e-07/2021-22 and award the Detailed Contract for a total value of for **Rs. 29,61,31,560.00/- (Rupees Twenty Nine Crores Sixty One Lakhs Thirty One Thousand Five Hundred and Sixty Only)** as detailed in the Schedule- A & 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).

1. SCOPE OF CONTRACT:

This Order relates to the Survey, Design, Manufacture, Supply and Erection & Commissioning of OPGW cable for Implementation of OPGW based reliable communication and data acquisition at 132KV level and above substations of TSTRANSCO in Rural zone (West) as per Terms and Conditions of Tender Specification No. TST –CE/TELECOM-e-08/2021-22 except those modified in this order. The rates indicated in Schedule-A & B appended to this Order are for Supply and Erection & Commissioning of equipment/material inclusive of all taxes and duties, as per your offer vide reference (2) cited. The material that is to be supplied by you shall be delivered at the places of work sites.

2. ABSTRACT OF SCHEDULES:

S. No.	Description	Value (Rs.)
I	Schedule-A (Material Portion)	17,10,28,495.00
II	Schedule-B (Labour Portion) + insurance	12,51,03,065.00
	Total Value (A+B):	29,61,31,560.00

The accepted Tender Percentage is 22.9169 % Excess Over the Estimated Contract value.

3. GENERAL CONDITIONS :

Except where otherwise agreed to in this acceptance letter, all the Terms and Conditions stipulated in the Specification No. TST –CE/TELECOM-e-08/2021-22 are binding on you and these shall form part of this contract.

4. PRICES:

The rates for all the Equipment & Materials covered in Schedule-A and rates for all the works (Erection & Commissioning) covered in Schedule-B are **firm** on all accounts such as increase in quantity of Equipment / Materials and quantum of work that provided in the Contract, execution of Contract beyond the scheduled completion/ delivery period for whatever reasons, increase in the rates of material/equipment and labour both during and beyond the Completion Period etc. The prices are including all the taxes and duties wherever applicable.

5. TAXES AND DUTIES:

The prices indicated in Schedule-A & B are firm and are inclusive of all taxes & duties, freight & insurance and all other incidents (i.e, GST @ 18% on total value of material/ equipment and labour).

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 by-laws 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 by-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.

a. 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.

b. 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 in Clause (2.3) Section II financial Volume-I of Specification No. TST –CE/TELECOM-e-08/2021-22. 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) + GST @ 18%.

c. Labour Cess:

Labour Cess @ 1% will be deducted from your work bills as per rules in vogue.

d. All the statutory deductions as applicable will be deducted as per rules in vogue.

e. Telangana Haritha Nidhi:

Telangana Haritha Nidhi @ 0.01% of the total value of the contract will be deducted from the work contract bills and remitted to Bank Account No. of Telangana Haritha Nidhi i.e., State Bank of India, Secretariat, Hyderabad Branch, A/c No. 40692056081 IFSC Code : SBIN0020077, MICR Code :500002354 as per orders issued vide T.O.O (CE/Civil) Ms.No.1381 Dt: 07.05.2022.

f. 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 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.

6. VARIATION IN QUANTITIES & SUPPLEMENTAL ITEMS:

The quantities indicated in the Schedule-A (Materials / Equipment) and Schedule-B are only provisional and are likely to change during actual execution and payments will be done accordingly as per actuals. 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 the competent Authority of TSTRANSCO well in advance and take prior orders for going ahead with the work. Without approval of the competent Authority of TSTRANSCO, 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. Increased Quantities:

- i) For Material / Equipment covered in Schedule-A:** The rates accepted for individual items of material / equipment covered in Schedule - A shall hold good even for the increased quantities up to and beyond 25% over and above the agreement quantities.
- ii) For work items covered in Schedule-B:** The rates awarded in the contract are applicable for any increase in quantities of works.

b. For Supplemental / New Items:

- i) Schedule-A:** For the items relating to the Schedule-A, where the rates of new items cannot be deduced from the estimate / SSR, the rate payable will be arrived upon based on the prevailing market rates duly enquiring / collecting quotations and observing the reasonableness of the rates by the purchaser. Tender percentage is not applicable for these items.

The Contractor shall plan and procure the materials indicated in the schedule 'A' duly verifying with the Guaranteed Technical Particulars (GTP), so that the procured quantities match with actual requirement to avoid excess supply of materials. The Superintending Engineer/Telecom or the Divisional Engineer/Telecom shall give the details of the materials under information to the O/o The chief Engineer/Telecom.

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

- ii) Schedule-B:** 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.

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. Tender percentage is not applicable for these items.

7. TERMS OF PAYMENT:

All payments will be made to you in the following proportion:

a) For supply of Materials / Equipment (Schedule-A):

- i)** For the purpose of payment, the optical fibre link lengths are defined as transmission line route lengths from Gantry at one terminating station to the Gantry in the other terminating station. The actual cable lengths to be delivered shall take into account various factors such as sag, service loops, splicing, working lengths & wastage etc. and no additional payment shall be payable in this regard. Hence, the payment will be made for route lengths only for both material and labor portions.

- ii) The 80% payment of material/ equipment will be made within 45 days of receipt of material/equipment in complete shape subject to their delivery as per the schedule of work and on its receipt at destination site/ stores in good condition (i.e. from the date of check measurement in Form-13) on pro-rata basis for each Link (as defined in the technical specification). The concerned ADE/Telecom will receive the equipment/material in full shape at site and the concerned DE/Telecom will do the check measurement and issue the Form-13. The check measurement shall be done within Ten days from the receipt of materials.
- iii) The balance 20% of payment of material/ equipment will be made after erection and commissioning of equipment /material as per actual duly adjusting the balance 20% to the actual equipment / material utilized/consumed in respective Links/Lots. The final quantity of OPGW cable for payment is equal to route length only as per para (i) above.
- iv) The Contractor shall furnish the following documents in quadruplicate for arranging initial 80% payment for the equipment / material supplied.
 - a. Copies of the invoices showing P.O. 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 and copies.
 - d. Copies of Insurance Certificate / policies.

No payments will be made for the Supplies made prior to Scheduled delivery date or for materials which are not in full shape.

b) For labour (schedule-B):

- i) The 90% of the payments for labour will be released against the submission of bills for the portion of works completed. Out of the balance 10% amount, 5% payments will be released after completion of all the works and submission of material accounts LOT wise. The final 5% payments will be released after the completion of the Guarantee period or on submission of BG for the equivalent value valid for the guarantee period.
- ii) The payment of OPGW cable stringing charges is always for Route Length (RT) of transmission line only. The completion of work shall mean all the OPGW cable along with all necessary hardware must be fully erected & commissioned.
- iii) The Contractor shall furnish the following documents in quadruplicate for arranging 90% payment for Labour (Schedule –B) payments.
 - a. Copies of the invoices showing P.O. No., works description, quantity, unit price and total amount.
 - b. Acknowledgement of work done from consignee i.e. Form-14.

The balance 20% payment for the equipment/material supplies and 5% of labour (Schedule-B) payments will be done with the submission of material accounts LOT wise for which 80% payments were done.

Any material left in the field shall be removed by contractor immediately. The TSTRANSCO shall not be responsible for any loss or damage to the leftover material at the sites.

- c) The payments will be made by cheque / by way of Electronic Fund Transfer / RTGS from PFC/TSTRANSCO. The Contractor has to furnish requisite details for establishing RTGS in proforma as per Schedule -IX. Once RTGS system is established, the bank account details submitted are final and cannot be changed till completion of the contract. For payments through PFC the connected PFC/Bank charges are to be borne by the Contractor.

Bank account details for payment through RTGS system:

Name of the Bank	: Union Bank of India
Name Of The Branch	: Industrial Finance Branch, 239 Vidhan Bhavan Marg, Nariman point,Mumbai, Maharastra-400021.
Branch Code	: 549584
City	: Mumbai.
Account No.	: 495705010060008
MICR No.	: 400026091
IFSC No.	: UBIN0549584
Income Tax PAN No.	: AAACG1840M
GST Registration No.	: 36AAACG1840M1ZM
Date of GST Registration	: 18.07.2018
Place of GST Registration	: Hyderabad, Telangana

8. EMPLOYMENT OF PROJECT MANAGEMENT TEAM, SKILLED AND UNSKILLED LABOUR:

The contractor shall provide experienced, technically qualified Project Management Team for the supervision. The Project manager appointed by contractor or his agent shall have full power as the representative of the contractor who can negotiate at site in regard to execution of the contract. 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 contractor shall employ at least the following Project management team for the package 3.

Role	Qualifications
Project Manager	Graduate/Post Graduate with a minimum of 10 years experience.
Supervisors	With relevant experience to oversee transmission line and substations survey, OPGW stringing and civil works.

In case of failure of the contractor to employ the staff during the execution of the work as above, recovery shall be made from contractors bills at Rs 10,000/- per month.

9. DELIVERY/COMPLETION PERIOD:

The overall completion period for this project is 18 months from the date of issue of detailed purchase order to the successful bidder. The completion schedules made part of the agreement shall be considered final. The total project shall be completed in not more than 5 LOTs.

Surveying of cable route etc : DGPS survey of cable route of first LOT, as per field requirements, preparation of cable route profile, drawings for cable laying, final route alignment, making lines & grades and preparing bill of materials / lengths of the cable for the project shall be completed within a period of two months from the date of receipt of detailed purchase order. The above reports, profiles and drawings etc shall be furnished immediately after completion of above survey.

If requested, the TSTRANSCO may consider providing coordinates of towers, tower type details, and span lengths of the transmission lines for which such data is available to save time in preparation of drum schedules. The contractor is solely responsible for the accuracy of drum schedules prepared with or without the DGPS survey. Any loss due to shortage/excess of the cable in drums during execution has to be borne by the contractor because the payments for cable and stringing are paid for route lengths only

The complete project execution program of first LOT in a phased manner duly coordinating the material/equipment supply and works execution of OPGW cable and relevant statutory requirements shall be submitted within two months from the date of receipt of detailed purchase order.

The survey shall be continuous process and shall be completed for all LOTs within 8 months from the date of issue of P.O.

The targets are to be fixed in the Kick-off meeting which shall be signed by the Superintending Engineers/Telecom 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 the minutes of the Kick-off meeting shall be sent to headquarter immediately for review.

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.

The Contractor shall obtain clarifications related to all technical matters from the office of Chief Engineer.

10. PENALTY FOR LATE SUPPLIES / COMPLETION OF WORK:

The Completion Period mentioned above is the essence of contract. Penalty will be levied as follows for the delay supply of material and for the delay in execution of works.

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 as per the LOT wise schedules accepted in the Kickoff meetings and made part of the agreements, whatever may be the reasons, the TSTRANSCO shall levy and collect the penalty @ 1% including GST @18% 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 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% including GST @18% 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%** including GST @18% 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 supplies/works as per the program or in the opinion of purchaser, the supplies are progressing at a slow pace, TSTRANSCO reserves its right to get the balance or part of supplies/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.

11. PERFORMANCE SECURITY (OR) PERFORMANCE BANK GUARANTEES (PBG):

As per Clause (4.8), Section-II 'Financial' of Volume-I of the Specification, you shall furnish performance security equal to Three percent (3%) of the value of the Schedule-A i.e., **Rs. 51,30,855/- (Rupees Fifty One Lakhs Thirty Thousand Eight Hundred and Fifty Five Only)** and on Schedule B i.e, **Rs.37,53,092/- (Thirty Seven Lakhs Fifty Three Thousand and Ninety Two Only)** for the proper fulfillment of contract with a validity of 32 months (i.e, Completion Period 18 months + 12 months guarantee period + 2 months claim period). The Performance security may be made by way of Demand Draft drawn on any Nationalized Bank payable at Hyderabad in favor of Pay officer, TSTRANSCO, Hyderabad (OR) by way of Bank Guarantee from a Nationalized Bank in favor of Chief Engineer/ Telecom 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 receiving of Contract award 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.

12. PERFORMANCE GUARANTEE:

- i) Contractor shall warrant for the satisfactory functioning of the materials/equipment supplied and for the satisfactory operation of the workmanship performed by him, for a minimum period of **12 months** from the date of commissioning of the last LINKs under the package.
- ii) Where the suppliers/ Manufacturers provide a longer period of warranty than mentioned above, the Purchaser shall be entitled to such a long warranty.
- iii) Equipment, sub-assemblies or spares, or parts replaced/repared under warranty shall have a further warranty of 12 months from the date of replacement/repair.

13. PAYING OFFICER & CONSIGNEE:

The Agreement authority and Paying Officer is the Superintending Engineer/Telecom/ Rural. The consignee will be concerned Assistant Divisional Engineer/Telecom. The concern Divisional Engineer/Telecom is check measuring authority.

14. QUALITY OF EQUIPMENT/MATERIALS:

The equipment/materials supplied by you shall be of good quality. 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.

15. QUALITY ASSURANCE PLAN:

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

16. PENALTIES IMPOSED FOR DEFICIENCIES IN QUALITY OF WORKS:

During the execution of works, if any deficiencies in the quality of works 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.

17. 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 – CE/TELECOM-e-08/2021-22.

18. 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 the 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.

19. GUARANTEED TECHNICAL PARTICULARS AND TYPE TESTS, MANUFACTURING CLEARANCE:

After completion of survey, you are requested to take drum schedule approval from the concerned O/o Superintending Engineer's/Telecom to obtain the manufacturing clearance.

Further Full particulars of materials/equipment to be supplied by you along with details of sub-vendors with Guaranteed Technical Particulars, drawings, type test reports, Quality Assurance Plan are to be submitted to Chief Engineer/Telecom for approval.

The Contractor shall adhere to the Principal parameters/Guaranteed Technical Particulars specified in the specification.

All the equipment/material covered under Schedule-A of this contract shall be fully type tested by the Contractor or his vendor as per relevant standards. The type Tests should have been conducted on similar material/equipment not earlier than Ten years from the date of bid submission of this purchase order related tender.

20. INSPECTION OF EQUIPMENT/MATERIALS:

- i) Inspection shall be made in accordance with the clause (23) of Section-I, Volume-I of the Specification.

- ii) The TSTRANSCO at its discretion may get the materials/ equipment inspected by a Third Party if it feels necessary in accordance with the clause (23) of Section-I, Volume-I of the Specification.
- iii) The TSTRANSCO representative shall at all times be entitled to have access to the works and all other places of manufacture. The supplier shall provide all facilities for unrestricted inspection of the works, raw materials, and process of manufacture and for conducting necessary Tests. The Contractor shall inform well in advance of the commencement of manufacture, progress of manufacture thereof so that arrangements could be made for inspection.
- iv) The Contractor shall give at least 15 days advance intimation to enable the purchaser to depute his representative for witnessing acceptance and routine Tests. No material shall be dispatched from its point of manufacture before it has been satisfactorily inspected and tested, unless the purchaser in writing waves off the inspection. In the later case also, material shall be dispatched only after satisfactorily conducting all the Tests specified as per IS and after test certificates are approved by the purchaser. The acceptance of any material shall in no way relieve the Contractor of his responsibility for meeting all the requirements of this specification and shall not prevent subsequent rejection if the material is later found to be defective.
- v) All travelling and living expenses for the inspectors deputed to their works for witnessing the tests during inspection of material/equipment shall be borne by contractor.

21. DESPATCH INSTRUCTIONS:

The dispatch instructions will be communicated to you while approving the test certificates furnished as and when the materials/equipment is inspected. The material/equipment shall be dispatched by Road Transport through reliable transport agency with freight prepaid and duly insured. Materials/equipment, which are not conforming to IS standards specified in Bid documents, or are not of acceptable quantity, or are not as per approved drawings, would be deemed to be not delivered.

Three copies of test certificates containing the results of all Tests carried out shall be submitted to the Chief Engineer / Telecom and got approved before dispatched. The supplier shall maintain all test reports of routine and stage Tests conducted during manufacture. These shall be produced for verification as and when requested by the purchaser.

22. 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.

23. PACKING:

The supplier/manufacturer shall provide such packing for the material/ equipment as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the technical specification for material/equipment. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, humidity etc. during transit and open storage.

24. ACCEPTANCE CERTIFICATE:

Upon receipt of material/equipment at the designated destination and after inspection, acceptance certificate (Form-13) will be issued by the concerned Divisional Engineer/Telecom in which he will certify the date on which the material/equipment has been so accepted. Material / Equipment received shall be verified by concerned Asst. Divisional Engineer/Telecom and check measured by the concerned Divisional Engineer/Telecom at the site stores. If material/ equipment is found defective due to bad workmanship or damaged due to defective packing or otherwise not in conformity with requirements of the contract, taking over of material and issue of acceptance certificate shall be withheld until such time the defects have been corrected. The consignee will notify the defects found in the material after receipt of material at destination.

The issue of acceptance certificate will no way relieve the Contractor of his responsibility for supply and Satisfactory Performance of material/equipment as per technical requirements given in the specification.

25. AGREEMENT:

The concerned Superintending Engineer / Telecom shall be the agreement authority and the Contractor shall approach the office of the SE/Telecom within 15 days from the date of issue of the detailed order to enter in to an agreement. The Superintending Engineer/ Telecom shall enter an agreement with the Contractor duly verifying the following.

- i. The PAN card, GST registration, Labor license, valid A-grade electrical license to execute EHT works in TS.
- ii. Authorization/power of attorney of the Contractor representative to sign the agreement.

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

- a. The copy of the Letter of intent (LOI).
- b. The copy of the Purchase order.
- c. The copy of the volume-I & Volume II of the specification.
- d. Copy of the Performance Bank Guarantee and its approval.
- e. Authorization / power of attorney (original) of the Contractor representative to sign the agreement.
- f. Copies of the statutory registrations of the Contractor etc.,

26. MANAGEMENT /COORDINATION MEETINGS:

- a) Monthly / Fortnight review of works shall be conducted by the Superintending Engineer/ Telecom circles or Chief Engineer /Telecom. The Project Manager shall attend all review meetings held at Vidyut Soudha, Hyderabad.
- b) 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.

27. RESPONSIBILITY OF THE CONTRACTOR:

The Contractor is responsible for the safe delivery of the goods in good condition at destination. He should acquaint himself of the conditions obtaining in regard to supply of the materials. TSTRANSCO shall not be responsible for any mismatch of material supply and works on account of whatever so the reasons. The Contractor is responsible to submit the material bills (immediately after receipt of materials at site) promptly and submit all the required enclosures without fail. TSTRANSCO shall not be responsible for any delayed payments whatever so the reasons.

28. 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.

29. FORCE MAJEURE:

- a. 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.
- b. 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.
- c. 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.

30. 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 supplies will be issued by the Engineer to the Contractor in writing. The time for completion of the supplies 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.

31. 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 an extension of time to compensate for this delay or hindrance. The contractor will not, however, be eligible for any compensation by way of an increase in the rates for the works executed beyond the contract period.

32. SETTLEMENT OF MATERIAL ACCOUNT:

- a. The survey and design and commissioning are in the scope of the contract as per LINK/LOTs provided by the TSTRANSCO, as indicated in the schedule of Requirements, after the survey the contractor has to arrive at the exact bill of materials as per the site conditions/requirements. Any shortfall or excess materials required while execution of the project is in the scope of the contractor after approval of drum schedules.

- b. In exceptional cases, to expedite work progress, whenever TSTransco issues the material from its stores on the returnable basis to the contractor, the contractor shall return such material within 30 days from the date of issue of such material along with interest on the value of such material at the rate of 2% per month or part thereof. However, if the contractor fails to return the material within 30 days of issue of such material, the material shall be deemed to have been sold to the contractor on the date of its issue at a price which shall be 150% of the procurement cost and such cost shall be recovered from contractor along with interest at 2% per month or part thereof from the date of issue of material till the amount is recovered.

33. FINAL ACCOUNT:

- a) Not later than one (1) month after handing over of the works complete in all respects for a LINK 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 by 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 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 under the contract.
- c) The Contractor shall sign the Final Account as an acknowledgment 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 the 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 all the LINKs in LOT, the field Divisional Engineer will prepare the final bill duly deducting the cost of all the unaccounted/unhandled 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 the signatures of the contractor. The cost of the unaccounted material will be taken as per Clause 33 above.

34. 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 and after settlement of materials account and final bill.

35. ORDER OF PRIORITY FOR THE INTERPRETATION OF DOCUMENTS:

The documents forming the Total Contract shall be interpreted in the following order of priority:

- (1) Agreement
- (2) Detailed Purchase Order.
- (3) Letter of Intent (LOI)
- (4) Contractor's Bid

- (5) Terms and Conditions of Contract
- (6) Specifications
- (7) Drawings
- (8) Schedule of quantities and Prices
- (9) Any other document listed in the Contract Data as forming part of the Contract.

36. TERMINATION OF CONTRACT:

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.

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.

37. 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.

Enclosure: Schedules

Yours faithfully,

**CHIEF ENGINEER/TELECOM
(ACTING FOR AND ON BEHALF OF THE TSTRANSCO)**

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 Superintending Engineer/Telecom/ Rural/TSTRANSCO/Hyderabad.
The SAO/Pay & Accounts/TSTRANSCO/Vidyut Soudha /Hyderabad.
The Accounts Officer/Telecom/Rural/TSTRANSCO/Hyderabad.
The Divisional Engineer/Telecom/.....(Through e-mail)
The Asst.Divisional Engineer/Telecom/.....(Through e-mail)