

Part C

CONTRACT FORM

THIS AGREEMENT made the -----day of.-----
-----, 20----- Between The Governor of Tamil Nadu* (herein after called the Governor which expression shall where the context so admits include his successor in office and assigns) represented by the Collector **and** Chairman, District Rural Development Agency -----, (hereinafter called "the Purchaser") of the one part and -----
----- (*Name of Supplier*) (hereinafter called "the Supplier" which expression shall **wherever** the context so admits include his heirs, executors, administrators and legal representatives) of the other part :

WHEREAS the Purchaser is desirous of purchasing HSD STEEL BARS of 8 mm, 10 mm, 12 mm, 16 mm, 20 mm & 25 mm under rate contract to be kept firm up to 31.03.2009 as per the specifications, details and the conditions of contract indicated in the Annexure are to be procured and has accepted a tender by the Supplier for the supply of those goods including incidental and ancillary services at the rates indicated in the Annexure (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz. ;
 - (a) Tender Form and the Price Schedule submitted by the Tenderer;
 - (b) Schedule of Requirements;
 - (c) Technical Specifications;

- (d) Conditions of Contract; and
- (e) Purchaser's Notification of Award.

3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract amount or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Further;

- a. that the said supplier will perform the aforesaid work subject to the conditions contained in these presents and these documents deemed to be part of this contract and instructions as may be given from time to time by the purchaser. And that the said supplier shall be deemed to have carefully examined the specifications and conditions of contract, appendices, schedules, drawings etc. and also to have satisfied himself as to the nature and character of the work to be executed.
- b. that the said supplier shall carry out and complete the execution of the work to the entire satisfaction of the purchaser within the agreed time schedule.
- c. that whenever under this contract or otherwise any sum of money shall be recoverable from or payable by the supplier the same may be deducted from the bills due to the supplier.
- d. that all charges on account of Octroi , terminal and sales tax or other taxes or duties payable on the materials procured for and services rendered for the work shall be borne by the supplier.
- e. that it is agreed between the parties that the non exercise of the powers conferred on the authorities by the purchaser will not in any manner constitute waiver of the conditions hereto contained

in these presence and the liability of the said supplier either of the past or future compensation shall remain unaffected.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws on the day and year first above written.

Signed, Sealed and Delivered by the

said (For the Purchaser)

For and on behalf of the Governor of Tamil Nadu

Signed, Sealed and Delivered by the

said (For the Supplier)

in the presence of:

Witness 1 – Name and Address

Witness 2 – Name and Address

CONDITIONS OF CONTRACT

- 1) This document on having been signed by both the parties shall constitute a binding contract between the parties and shall remain in force until performance by the supplier is complete and discharged by the Purchaser as such.
- 2) The supplier agrees to supply the HSD Steel Bars as per the quality & Specifications as mentioned in the SI. No. 12-a and 12-b. by the purchaser at all inclusive price as indicated in the Schedule - A of the agreement on or before the specified date. The price offered is firm and is not subject to variation or revision on any grounds.
- 3) The price of the Steel rods detailed at annexure includes excise duty, VAT/ Sales Tax, surcharges, Freight, Octroi, Insurance and such other levies that may be applicable.
- 4) The Steel rods are to be supplied under this contract are to be of the quality and of the specification mentioned in the purchase orders.
- 5) The Steel rods are to be delivered at the places to be mentioned by the purchaser without any extra cost and in such quality and number contained in the purchase orders to be placed by the Purchaser. Any amendments to the orders in terms of improved quality or delivery period etc., may be incorporated on a mutually agreed basis.
- 6) In case of failure by the supplier to deliver the Steel demanded from them within the period specified for delivery or in case of Steel delivered by them, not being of the stipulated quality and specification or in case of Steel being delivered without a correct invoice in duplicate, the Purchaser and or his authorised representative shall have power to reject any such materials and to purchase the same from other sources and any excess of cost to be incurred by the purchaser over the contract price together with all charges and expenses incidental on purchase shall be recoverable by the purchaser from the supplier.
- 7) Neither the Purchaser nor the Supplier shall be liable to the other for any delay or failure in performances of their respective obligations due to causes/contingencies beyond their reasonable controls such as:

- a. Natural phenomenon including but not limited to earthquakes floods and epidemics.
 - b. Acts of any government authorities domestic or foreign including but not limited to war declared or undeclared, priorities and guarantee restrictions.
- 8) Unless otherwise provided in the agreement any notice, request, consent or other communication given or required to be given hereunder shall be given by mail the same by registered mail, postage prepaid return receipt requested in the case of the supplier to the purchaser at their respective addresses set forth above or with other addresses and to the attention of such other persons as may hereafter be designated by like notice hereunder and any such notice sent by post shall be deemed to have been served on the date when in the ordinary course of post, it would have been delivered at the address to which it was sent.

Any notice to the supplier shall be deemed to be sufficiently served, if given or left in writing at their usual or last known place board of business.

9. Delivery schedule:

The details of the quantity to be supplied to each location and the time schedule will be intimated separately to the successful tenderer by the Project Officer, DRDA District. 50% of the quantity specified for each location should be supplied within 30 days from the dates ordered and the remaining quantity supplied within 60 days failing which it will be construed that there is delay in supply and necessary penalties may be imposed on the supplier.

The Steel is to be supplied to various block headquarters in District. The price quoted should be inclusive of Sales Tax or any other statutory duty, loading at the source, transportation, unloading and delivery at the various block headquarters and such other destinations as may be instructed by Project Officer, DRDA/ Block Development Officer including handling charges at both ends.

Conditions such as strike lock out, power cut, non availability of railway wagons or other mode of conveyance etc. will not be accepted as valid reasons for delay in supply of the goods intended. The specific attention of

tenderers are invited and they are to note that the quantities furnished are tentative and actual requirement is subject to variation on final assessment as per purchase order to be issued.

10. Penalty for delay in supply and delivery:

In case of delay of 30 days beyond the stipulated 2 months period, 5% of the total value of the defaulted quantity will be claimed as penalty. In case of delay between 30-60 days, 10% of the total value of the defaulted quantity will be claimed as penalty. For delays beyond 60 days, the work order will be cancelled, Security deposit forfeited and contractor black listed. However, as earlier mentioned, the District Collector can cancel the contract if any of the milestones as referred to earlier are not achieved in the intermediate period.

11. Violation in Terms and Conditions.

For any violation in terms and conditions maximum penalty of blacklisting the Bidders besides recovery of cost plus 100% penalty and forfeiture of Security Deposit would be imposed.

12. a) Quality of Steel:

1. Each consignment of Steel shall be supported with BIS Certificate with ISI mark conforming to IS 1786.
2. The supplier shall supply all the test certificates from Structural Engineering Research Centre / Regional Testing Laboratory of Government of Tamil Nadu / Regional Testing Centres of Government of India / Any Other Government Authorized Laboratory giving the results of each mechanical or chemical test applicable to samples taken from materials delivered along with each consignment delivered at the delivery points and at the time of submission of the technical bid.
3. Permanent distinguishing Mark shall be given at regular spacing through out the length of the bar to indicate the grade of the bar.
4. Each bundle or coil containing the bars may also be suitably marked with ISI certification mark in which case the concerned test certificate shall also bear the ISI mark.

5. Steel, which is found sub-standard, is liable for rejection and no payment will be made towards the supply. Rejected materials shall be replaced at the risk and cost of the tenderer within 7 days receipt of notice either from the Block Development Office concerned or from the District Rural Development Agency, ----- District.

b) Specifications: (Relevant **test certificate** to be furnished by the supplier for specification given below):

- The type of Steel required is Fe 415.
- Chemical Composition (Ladle Analysis): -

For Fe 415

| Constituents | Max. Percentage | %Variations, Max |
|---------------------|------------------------|-------------------------|
| Carbon | 0.30 | 0.02 |
| Sulphur | 0.06 | 0.005 |
| Phosphorus | 0.06 | 0.005 |

➤ **MASS:**

| Nominal size (mm) | Weight per Running Metre (Kg/m) |
|--------------------------|--|
| 8 HSD STEEL BARS | 0.395 |
| 10 HSD STEEL BARS | 0.617 |
| 12 HSD STEEL BARS | 0.888 |
| 16 HSD STEEL BARS | 1.580 |
| 20 HSD STEEL BARS | 2.470 |
| 25 HSD STEEL BARS | 3.850 |

➤ **Tolerance on the Nominal Mass per metre:**

| Nominal size mm | TOLERANCE ON THE NOMINAL MASS, PERCENT | | |
|------------------------------------|--|-------------------|----------------------------------|
| | Batch | Individual Sample | Individual sample for coils only |
| (1) | (2) | (3) | (4) |
| Up to and including 10 | ±7 | - 8 | ± 8 |
| Over 10 and up to and including 16 | ± 5 | - 6 | ± 6 |
| Over 16 | ± 3 | - 4 | ± 4 |

➤ **Tensile Strength :**

- 0.2% proof stress min. = 415 (N/Sq. mm)
Tensile strength min. = 10% more than the actual 0.2% proof stress but not less than 485N/sq.mm

for checking nominal mass, tensile strength, bend test and rebend test, test specimen of sufficient length shall be cut from each size of the finished bar / wire at random at a frequency not less than that specified in the table below.

Frequency for Nominal Mass, Tensile, Bend and Rebend Tests.

| Nominal Size | For casts / heats below 100 tonnes | For casts / heats over 100 tonnes |
|--------------------------|---|---|
| 1 | 2 | 3 |
| Under 10 mm | 1 Sample from each 25 tonnes or part thereof. | 1 Sample from each 40 tonnes or part thereof. |
| 10 mm to 16 mm inclusive | 1 Sample from each 35 tonnes or part thereof. | 1 Sample from each 45 tonnes or part thereof. |
| Over 16 mm | 1 Sample from each 45 tonnes or part thereof. | 1 Sample from each 50 tonnes or part thereof |

13. Inspection and rejection

13.1 Facilities for test and examination: The supplier shall, at his own expenses, afford to the Purchaser or his authorized representatives all reasonable facilities and such accommodation as may be necessary for satisfying himself that the stores are being and or have been manufactured in accordance with the specifications. The Inspecting Officer shall have full and free access at any time during the execution of the contract to the supplier's works for the purpose aforesaid, and he may require the supplier to make arrangements for inspection of the stores or any part thereof or any material at his premises or at any other place specified. However, such inspection shall not preclude the purchaser/inspection authority from re-inspection of the goods after they have been inspected for the purpose aforesaid. The decision of the purchaser/inspection authority in this regard shall be final and binding on the supplier. All terms and conditions of the contract as they apply to the inspection shall also apply for re-inspection.

13.2 Cost of test: The supplier shall provide, without any extra charge, all materials, tools, labour and assistance of every kind which the Inspector may demand of him for any test, and examination, other than special or independent test, which he shall require to be made on the contractor's premises and the supplier shall bear and pay all costs attendant thereon. If the supplier fails to comply with conditions aforesaid, the Inspector shall, in his sole judgment, be entitled to remove for test and examination all or any of the stores manufactured by the supplier to any premises other than his (supplier's) and in all such cases the supplier shall bear the cost of transport and/or carrying out such tests elsewhere. A certificate in writing of the Inspecting Officer, that the supplier has failed to provide the facilities and the means for test and examination, shall be final.

13.3. Delivery of Stores for Test: The supplier shall also provide and deliver for test, free of charge, at such place other than his premises as the Inspecting Officer may specify such material or stores as he may require for

tests for which supplier does not have the facilities or for special/independent tests.

13.4. Liability for costs of special or independent tests: In the event of rejection of stores or any part thereof by the Inspecting Officer in consequence of the sample thereof, which is removed to the laboratory or other place of test, being found on test to be not in conformity with the contract/or in the event of the failure of the supplier for any reason to deliver the stores passed on test within the stipulated period, the supplier shall, on demand, pay to the purchaser all costs incurred in the inspection and/or test. Cost of test shall be assessed at the rate charged by the Laboratory to private persons for similar work.

13.5. Method of testing: The Inspecting Officer shall have the right to put all the stores or materials forming part of the same or any part thereof to such tests as he may think fit and proper. The supplier shall not be entitled to object on any ground whatsoever to the method of testing adopted by the Inspector.

13.6. Stores expended in test: Unless other wise provided for in the contract if the special or independent test proves satisfactory and the stores or any instalment thereof is accepted, the quantity of the stores or materials expended in test will be deemed to have been taken delivery of by the purchaser and be paid for as such.

13.7. The Inspecting Officer shall have the power: -

(i) before any stores or part thereof are submitted for inspection to certify that they cannot be in accordance with the contract owing to the adoption of any unsatisfactory method of manufacture.

(ii) to reject any stores submitted as not being in accordance with particulars.

(iii) to reject the whole of the instalment tendered for inspection, if after inspection of such portion thereof as he may in his discretion think fit, he is satisfied that the same is unsatisfactory.

(iv) to mark the rejected stores with a rejection mark so that they may be easily identified if re-submitted.

13.8. Consequence of rejection: If on the stores being rejected by the Inspecting Officer or consignee at the destination, the Supplier fails to make satisfactory supplies within the stipulated period of delivery the Purchaser shall be at liberty to :-

- (i) require the supplier to replace the rejected stores forthwith but in any event not later than a period of 15 days from the date of rejection and the Supplier shall bear all cost of such replacement, including freight, if any, on such replacing and replaced stores but without being entitled to any extra payment on that or any other account.
- (ii) purchase or authorize the purchase of quantity of the stores rejected or stores of a similar description when stores exactly complying with specifications are not in the opinion of the Purchaser, which shall be final, readily available without notice to the Supplier at his risk and cost and without affecting the supplier's liability as regards the supply of any further instalment due under the contract, or
- (iii) cancel the contract and purchase or authorise the purchase of the stores or stores of a similar description at the risk and cost of the Supplier.

13.9. Inspecting Officer's decision as to rejection is final: Inspecting Officer's decision as regards the rejection shall be final and binding.

13.10. Notification of result of Inspection: Unless otherwise provided in the specification of schedule, the examination of the stores will be made as soon as practicable after the same have been submitted for inspection and the result of the examination will be notified to the supplier.

13.11. Marking of stores: The supplier shall if so required at his own expense mark or permit the Inspecting Officer to mark all the approved stores with a recognized Government or purchaser's mark. The stores which

cannot be so marked shall, if so required by the Inspecting Officer, shall be sealed and marked with such mark.

13.12. (a) On rejection of all stores submitted for inspection at a place other than the premises of the supplier, such stores shall be removed by the supplier at his own cost, within 15 days of the date of intimation of such rejection. If the concerned communication is addressed and posted to the supplier at the address mentioned in the schedule, it will be deemed to have been served on him at the time when such communication would in the course of ordinary post reach the contractor.

(b) All rejected stores shall in any event and circumstances remain and always be at the risk of the supplier immediately on such rejection.

13.13 Risk in the stores: The supplier shall perform the contract in all respects in accordance with the terms and conditions thereof. The stores and every constituent part thereof, whether in the possession or control of the supplier, his agents or servants or a carrier, or in the joint possession of the supplier, his agents or servants and the purchaser, his agents or servants, shall remain in every respect at the risk of the supplier until their actual delivery to the consignee at the stipulated place or destination or, where so provided in the acceptance of tender, until their delivery to a person specified in the Schedule as interim consignee for the purpose of despatch to the consignee. The supplier shall be responsible for all loss, destruction, damage or deterioration of or to the stores from any cause whatsoever while the stores after approval by the Inspector are awaiting despatch or delivery or are in the course of transit from the supplier to the consignee or, as the case may be, interim consignee. The supplier shall alone be entitled and responsible to make claims against a railway administration or other carrier in respect of non-delivery, short delivery, mis-delivery, loss, destruction damage or deterioration of the goods entrusted to such carrier by the supplier for transmission to the consignee or the interim consignee as the case may be.

14 Payment Terms

14.1. Payment for the supply shall be made as follows:

- (i) No Advance Payment shall be made by the Purchaser

(ii) On Delivery the contract price shall be paid on receipt of Goods and upon submission of the documents in support of the quality and conformance of the specifications after verification & certification by the Engineer of the blocks concerned.

14.2. The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and the Services performed and supporting documents and upon fulfilment of other obligations stipulated in the contract.

14.3. Payments shall be made promptly by the Purchaser but in no case later than sixty (60) days after submission of the invoice or claim by the Supplier.

15. Recoveries from the Supplier:

Any amount due or become due from the Supplier which he has failed to remit after notice from the Purchaser shall be caused to be recovered under the provisions of the Tamil Nadu Revenue Recovery Act as if it was an arrear of land revenue.