TENDER DOCUMENT

TENDER No.: DLI/CON/729/465

FOR

Balance works of Construction of Diversion canal/structures, Tunnel, modernization of existing net works, Strengthening and widening of Jambadhahalla bund and asphaltting to approach road for Hodirayanahalla diversion weir(PKG-III: Hodirayanahalla Diversion Scheme).

VOLUME – II

ADDITIONAL CONDITIONS OF CONTRACT, TECHNICAL SPECIFICATIONS AND DRAWINGS

EXECUTING AGENCY

ENGINEERING PROJECTS (INDIA) LIMITED
(A GOVT. OF INDIA ENTERPRISE)
Core-3, Scope Complex,
7,Lodhi Road, New Delhi-110003
TEL NO: 011-24361666, FAX NO. 011- 24363426
1.0 The following Additional Conditions of Contract shall be read in conjunction with General Conditions of Contract. If there are any provisions in these Additional Conditions of Contract, which are at variance with the provisions of General Conditions of Contract, the provisions in these Additional Conditions of Contract shall take precedence.

2.0 INTRODUCTION

Karnataka Neeravari Nigam Limited is a separate body under the Irrigation Ministry, Government of Karnataka involved in developing Major & Minor Irrigation Schemes.

3.0 Scope of work:

The project site for the work is available.

The brief scope of work in this tender shall include (but not limited to) Construction of Diversion Canal involving Earth work in excavation in soil, Soft rock & Hard rock, lining with M15 grade concrete, CD works, Providing Pervious semipervious embankment, Filling with Muurum/gravel, providing rubble stone pitching, Providing & Laying In-situ concrete of different grades (M-10, M-15 & M-20) and providing, fabricating & placing in position Reinforcement steel, Tunneling work involving drilling, anchoring, excavation all types of soil and rock, anchoring, lining etc.,

Apart from above, any other services not covered above but required as per direction of EPI are deemed to be included in the scope of work. The work is to be carried out on item rate basis as per bill of quantities and tender conditions.

4.0 ORDER OF PRECEDENCE

i. NIT
ii. MEMORANDUM, ACC
iii. BOQ, TECHNICAL SPECIFICATION AND DRAWINGS
iv. EPI GCC

5.0 DISQUALIFICATION

The tenderers may note that they are liable to be disqualified and not considered for the opening of Price Bid if;

a) Representation in the forms, statements and attachments submitted in the pre-qualification document are proved to be incorrect, false and misleading.

b) They have record of poor performance during the past 10 (ten) years such as abandoning the work, rescinding of contract for which the reasons are attributable to the non-performance of the contractor, inordinate delay in completion, consistent history of litigation / arbitration awarded against the contractor or any of its constituents or financial failures due to bankruptcy etc. in their on going / past projects.

c) They have submitted incompletely filled in formats without attaching certified supporting documents and credentials to establish their eligibility to participate in the Tender.

d) If the tenderers attempt to influence any member of the selection committee.
EPI reserves its right to take appropriate action including disqualification of tenderer(s) as may be deemed fit and proper by EPI at any time without giving any notice to the contractor in this regard. The decision of EPI in the matter of disqualification shall be final and binding on the Tenderers.

6.0 The set of tender documents shall contain one set of hard copy of tender drawings. The original hard copy of tender drawings shall be returned along with the tender documents duly signed and stamped by the tenderer and shall form part of agreement.

7.0 **SPECIFICATIONS**

i) All works in general are to be carried out in accordance with the KNNL Specifications which are detailed in technical specification separately attached with this tender.

ii) This contract shall be governed by the Indian Laws for the time being in force. The contract is confidential and must be strictly confined to the purposes of the contract.

iii) The contractor shall provide everything necessary for the proper execution of the works according to the intent and meaning of the specifications and drawings taken together whether the same may or may not be particularly shown or described therein provided that the same can be reasonably be inferred there from and if the contractor finds any discrepancy in the specifications and drawings and between the drawings, he shall immediately and in writing refer the same to the employer who shall decide which is to be followed.

iv) The work order/LOI will be issued by EPI and handing over of the site and date of commencement of the contract shall be within 10 (ten) days of issue of such letter.

8.0 **PRICE ADJUSTMENT (Clause No.16.0 of GCC modified as under):**

Shall be payable as per Client Clause no 44 addendum no. 1enclosed at Annexure-1. However the base date shall be effective from one quarter prior to the date of opening bids by EPI.

9.0 **MOBILIZATION ADVANCE:** Interest bearing Mobilization advance shall be payable equivalent to 5% of Contract value as per Memorandum and as per Clause No.8 of GCC.

10.0 **RETENTION MONEY** - Deleted and instead the EMD submitted by bidder is converted as security deposit and retained till completion of all works and defect liability period.

11.0 **TAXES AND DUTIES** - All taxes and Duties are included as per 13.0 of GCC of EPI. Also Contractor to pay quarry fees, royalty, etc., All quarry fees, royalties, octroi dues levied by the State Government or any local body or authority and ground rent, if any, charged by the Client/EPI for stacking materials, should be paid by the contractor.

12.0 **Labour Cess:** Labour cess shall be deducted @1% on EPI value work by Client and the same amount shall be recoverable from the Bills of agency

13.0 **Joint ventures are not allowed.**

14.0 **Work related queries:**

Bidders are advice to visit site and go through the EPI/CLIENT documents before quoting rates however for any query bidders are advise to contact EPI Chennai office/ Site. The work
is to be carried out in accordance with technical specifications, drawings and approved make/vendors of client.

15.0 Terms of Payment: In addition to Clause nos 37.1,37.2,37.3 & 37.4 of GCC (EPIL), the following clauses are also applicable:

i) CONTRACTOR TO SUBMIT BILLS MONTHLY IN PRINTED FORM

(a) A bill shall be submitted by the contractor on or before the 15th of each month for all items of work executed in the previous month.

All bills shall be prepared in the prescribed printed or typed form in quadruplicate and handed over to the subordinate in-charge of the work, Sub-Division or Division office and acknowledgement obtained.

The charges to be made in the bills shall always be entered at the rates specified in the tender in full or in part as the case may be. In the case of any extra work ordered in pursuance of these conditions and not mentioned or provided for in the tender, the charges in the bills shall be entered at the rates hereinafter provided for such work.

Scrutiny of Bills and measurement of work

(b) The details furnished by the Contractor in the bill should be completely scrutinised and the said work should be measured by the subordinate in the presence of the Contractor or his duly authorised agent. The countersignature of the contractor or the said agent in the measurement book shall be sufficient proof to the correctness of the measurements which shall be binding on the contractor in all respects. If the contractor does not submit the bills within the prescribed time the Client/EPI may depute within seven days of the prescribed date, a subordinate to measure up the said work. The countersignature of the contractor shall be obtained in the Measurement Book concerned with reference to which the bill may be prepared by the department.

Filing of objections to measurements, by contractor

(c) Before taking any measurement of any work as has been referred to in Clause 7 (b) above the Client/EPI shall give reasonable notice to the contractor. If the Contractor fails to attend at the measurements after such notice or fails to countersign or to record the difference, within a week from the date of measurements in the manner required by the Client/EPI, then in any such event, the measurements taken by the Client/EPI as the case may be, shall be final and binding on the contractor and the contractor shall have no right to dispute the same.

(d) One copy of the passed bill shall be given to the Contractor without any charge.

ii) PAYMENT PROPORTIONATE TO WORK APPROVED AND PASSED

The contractor shall, on submitting the bill and after due verification by the subordinate as per Clause 7 (b) be entitled to necessary payment proportionate to the part of the work then approved and passed by the Client/EPI whose certificate of such approval and passing of the sum so payable shall be final and conclusive against the contractor.
Payment at reduced rates
The rates for several items of works agreed to within, shall be valid only when the items concerned are accepted as having been completed fully in accordance with the stipulated specifications. In case where the items of work are not accepted as so completed, the Client/EPI may reject the items of work or may make payment on account of such items at such reduced rates as he may consider reasonable in the preparation of final or on account bills.

Payment on intermediate certificates be regarded as advances
All such intermediate payments shall be regarded as payments by way of advance against the final payments only and not as payments for work actually done and completed, and shall not preclude the Client/EPI from requiring any bad, unsound, imperfect or unskillful work to be removed or taken away and reconstructed or re-erected nor shall any such payment be considered as an admission of the due performance of the contract or any part thereof in any respect or the accruing of any claim, nor shall it conclude, determine or affect in any other way the powers of the Client/EPI as to the final settlement and adjustment of the accounts or otherwise or in any other way vary or affect the contract.

Submission of Final bill and its settlement
The final bill shall be submitted by the Contractor within one month of the date of actual completion of the work in all respects. His claims shall be settled (except those under dispute) within two months thereafter in respect of works costing up to Rs.2 lakhs and within five months thereafter in respect of works costing more than Rs.2 lakhs.

Disputed Items
The Contractor shall submit a list of the disputed items within 30 days from the disallowance thereof and if he fails to do so this, his claim shall be deemed to have been fully waived and absolutely extinguished.

Where royalty is sought to be recovered from materials brought in to the project area from outside, the Client/EPI shall certify that the material has been brought from outside on production of transit permit of the Mines and Geology department.

16.0 Clause No. 72.4.1 of GCC stands modified as under:
Within 10 (Ten) days of date of Letter of Intent, the contractor shall submit a Time and Progress Chart (CPM/PERT/Quantified Bar Chart) and get it approved by the Engineer-in-Charge. The Chart shall be prepared in direct relation to the time stated in the contract documents for completion of items / scope of the works. It shall indicate the forecast (milestones) of the dates of commencement and completion of various items trades, sections of the work and may be amended as necessary by agreement between the Engineer-in-Charge and the Contractor within the limitations of time imposed in the contract documents, to ensure good progress during the execution of the work. The physical report including photographs shall be submitted by the contractor on the prescribed format & the intervals (not later than a
month) as decided by the Engineer-in-Charge. The compensation for delay as per clause 72.1 (revised as per ACC) shall be leviable at intermediate stages also, in case the required progress is not achieved to meet the time deadlines of the completion period and / or milestones of time and progress chart provided always that the total amount of compensation for delay to be paid under this condition shall not exceed 10% of the tendered value of work.

In case entire work is completed within the total time period of completion or extended period of completion allowed, the compensation for delay due to not achieving progress at intermediates stage, if any, shall be refunded without any interest charges.

17.0 PLANT & MACHINERY

All plant & machinery required for execution of work shall have to be arranged by the contractor at his own cost. The contractor has to deploy all the required equipment to complete all the works within stipulated specifications & time period as per contract documents.

The contractor will not be allowed to take out equipments from the site without the written permission of Engineer-in-Charge.

18.0 The final bill will be submitted by the contractor accompanied by the following documents, if applicable (as decided by Engineer-in-charge):

a) Completion certificate issued by the Engineer-in-Charge specifying the handing over of the work including list of inventories (fittings & fixtures).

b) Computerized stage wise payment schedule.

c) No claim certificate by the contractor.

d) No claim certificate from the sub-agencies / venders engaged by the contractor.

e) 'As built’ drawings.

f) Periodical services and measurement books.

g) Drawings for layout of underground cables and details showing location of sluice valves, electric cable joints etc.

h) All operation and maintenance manuals.

i) All statutory approvals from various state / central govt. local bodies, if required for completion & handing over of the work as included in scope of Contractor.

j) Manufacture’s guarantee of various machines / equipments installed as part of works.

19.0 COMPLETION AND TAKING OVER

As soon as the project is finally completed, the Contractor shall inform EPI and EPI shall in turn inform to KNNL. KNNL shall nominate a Board of Officers for checking/ verification of completed work as per the scope of work for final taking over the project.

20.0 A final certificate of rectification of all defects pointed out by the handing over taking over board detailed by KNNL /EPI and / or during defect liability period shall be obtained from the nominated officer of KNNL /EPI prior to releasing of the Security deposit by EPI.

21.0 The following also forms a part of Clause no. 45.1 & 45.2 of GCC

Consumption of materials shall be calculated as per the provisions of contract/specification/standards and the contractor shall be solely responsible for any additional or less consumption of materials. In case material is consumed less than that calculated as per the co-efficient of consumption as per contract/relavent specification/PWD codes/Manuals, the contractor shall identify the portion of work/whole work where material...
consumed is less than that specified above and dismantle such work and redo the same at his own cost.

22.0 The Tenderers must understand that the items marked in schedule of work are actual items to be executed. Alteration, omission, deduction or addition from/to these items is at the discretion of the employer without affecting the terms of the contract. The rates have to be quoted on the basis of percentage (%) above, below or at par on the estimated value of the work.

23.0 SITE LABORATORY

A field Laboratory will be established in a room of suitable size equipped with the following, with adequate labour and materials required for carrying out tests therein:

(i) Set of standard sieves for testing grading of sand and a 75 micron sieve for testing silt content.
(ii) Sieves with openings respectively of 5mm, 10mm, and 20mm for testing grading of aggregates.
(iii) Balance of capacity 10 Kg reading to 5 gm, with weights.
(iv) Primus stove and pans for drying of sand and aggregates.
(v) Glass measuring flasks of 1/2 and 1 litre capacity
(vi) Flask for determining moisture content of sand.
(vii) Slump cone for slump test.
(viii) Minimum 24 steel moulds for 150 x 150 mm test cubes. It may be necessary to provide more steel cube moulds depending upon concreting programmed.
(ix) Work benches, shelves, desks, sinks and any other furniture and lighting as required by the ENGINEER-IN-CHARGE.
(x) Cube testing machine.
(xi) Any other equipment not specifically mentioned above which can reasonably be held necessary for the completion of the contract works to the satisfaction of the ENGINEER-IN-CHARGE. NOTE: The requisite tests shall be conducted in field Laboratory as per CPWD Specifications and other related I.S. Codes. All such tests shall be conducted in presence of the ENGINEER-IN-CHARGE and the proper Test Records shall be maintained by CONTRACTOR with the attestations by the ENGINEER-IN-CHARGE. The CONTRACTOR shall bear all expenses for installing, running and maintenance of this Field Laboratory.

24.0 The Tenderers must understand that the items marked in schedule of work are actual items to be executed. Alteration, omission, deduction or addition from/to these items is at the discretion of the employer without affecting the terms of the contract. The rates have to be quoted on the basis of percentage (%) above, below or at par on the estimated value of the work.

25.0 Custody of Drawings

All the approved Drawings shall remain in the sole custody of the Engineer-in-Charge but two copies thereof shall be furnished to the Contractor free of charge. The Contractor shall provide and make at his own expenses any further copies required by him. At the completion of Contract the Contractor shall return to the Engineer-in-Charge all drawings provided under the Contract.

One copy of the Drawings, furnished to the Contractor as aforesaid, shall be kept by him on the site and the same shall at all reasonable times be available for inspection and use by the
Engineer-in-Charge and his Representatives and by any other person authorised by the Engineer-in-Charge.

26.0 **Survey : Layout and Access**

The Contractor shall satisfy himself regarding the correctness of the site Layouts, levels etc. as shown in the drawings or given in the specifications. Before starting the work he shall also carry out at his own cost survey of the whole work site jointly with the Department. Any deviations as may arise out of the survey shall not vitiate the provisions of contracts and shall not entitle the Contractor to any extra payment of claim in any way.

After the joint survey a survey plan shall be prepared by the Contractor at his cost and got approved by the Engineer-in-Charge. Reference line and points shall be established by the Contractor at his own cost so as to serve as reference and “Dimensional Checking” of works. He shall prepare and submit a plan in quadruplicate to the E.I.C. showing such reference points with their full description at his cost.

The Contractor shall provide for all arrangements labour, equipments and materials needed for carrying out survey, setting out, layout checking, inspections measurements, testing at his own cost for which no separate payment will be made.

The Contractor shall also provide proper approach and access to all the works and stores including clearance of sites at his own cost.

27.0 **Time of Completion (Clause No 43.0 of GCC modified as under):**

The entire work as per offer shall be completed within 18 (Eighteen) months from the date of issue of work order. The time of completion is firm and final and supersedes any other time mentioned elsewhere in any clause(s) of tender document.

The period of completion given includes the time required for mobilization and testing as well, rectifications, if any, re-testing and completion in all respects to the entire satisfaction of the Engineer-in-Charge including the monsoon season.

The Contractor shall scrupulously adhere to the targets/program as envisaged in his micro-plan of work program by deploying adequate personnel and construction tools and tackles and he shall also supply all materials of his scope of supply in time to achieve the targets set out.

The Contractor shall give every day a report on category-wise labour and equipment deployed along with the progress of work done on previous day. The progress of work shall be proportionate to completion time.

Time is the essence of this contract and the allotted work must be completed within the specified time. Extension of time may be granted in very exceptional circumstances if the work gets delayed due to the reasons beyond the control of the successful bidder. This clause of extension of time will have precedence over any other similar clauses if they are at variance with this clause. There will be penalty for non-completion of the work in time as indicated elsewhere.

In case the successful bidder i.e. the contractor fails to execute the work as per agreed schedule of progress of work and as per specified quality and/or lags behind in activities required for timely completion of work, as determined by EPI/Client, then EPI shall give 15 days’ notice to the contractor in writing to achieve the specified quality and/or deploy
adequate resources to the satisfaction of EPI, for timely completion of work. Upon expiry of the notice period, if the contractor fails to achieve specified quality and/or fails to action for timely completion of work, then EPI shall have option to withdraw the remaining work PARTLY or in FULL from the contractor and get the same executed at the risk and cost of the from alternative agencies with 10% EPI Overheads besides encashment of guarantees submitted by the parties to EPI. The decision of EPI in this regard shall be final and binding on the contractor.

To ensure good progress during the execution of the work, the contractor shall be bound (in all cases in which the time allowed for any work exceeds one month) to comply with the time schedule according to the programme of execution of the work as agreed upon and enclosed to the contract.

The contractor work programme should demonstrate minimum progress as per the milestones given below.

1. Milestone :- 15% of the total work in 3 Months period
2. Milestone :- 30% of the total work in 6 Months period
3. Milestone :- 45% of the total work in 9 Months period
4. Milestone :- 60% of the total work in 12 Months period
5. Milestone :- 75% of the total work in 15 Months period
6. Milestone :- 100% of the total work in 18 months period

28.0 The Contractor shall comply with all the provisions of the following statutory acts or any modifications thereto and the rules made there under from time to time.

- Indian Factories Act 1948
- Payment of Wages Act 1936
- Minimum Wages Act 1948
- Employers Liability Act 1938
- Apprentices Act 1961
- Workmen’s Compensation Act 1923
- Industrial Disputes Act 1947
- The Maternity Benefits Act 1961
- Contract Labour (Regulation and Abolition) Act 1970
- Employment of Children Act 1933
- Provident Funds and Miscellaneous Provisions Act 1952
- The Employee’s Pension Scheme 1995

29.0 Should a report be made by an Inspecting Officer, as defined in the Contract Labour (Regulation and Abolition) Act 1970, the Developer shall have the right to deduct from any money due to the Contractor any sum required, or estimated to be required, for making good the loss(es) suffered by a worker or workers by the reason of non-fulfillment of the Conditions of the Contract relating to the benefits of workers, non-payment of wages or of deduction made from their wages which are not justified by the terms of the Contract or non-observance.
30.0 The Contractor shall indemnify the employer against any payments to be made as hereunder and for the observance of the provisions of the aforesaid Acts.

31.0 As per Client Contractors benevolent fund is deductible from bills @ 0.1% On EPI bill value.

32.0 Requirement of Technical Staff for the work

<table>
<thead>
<tr>
<th>Cost of work (Rs in Crores)</th>
<th>Contract period (Months)</th>
<th>Requirement of Technical Staff</th>
<th>Minimum experience (Years)</th>
<th>Rate of recovery</th>
</tr>
</thead>
<tbody>
<tr>
<td>29.05</td>
<td>18</td>
<td>i) Project Manager with degree</td>
<td>10</td>
<td>Rs. 1,00,000/- p.m</td>
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<tr>
<td></td>
<td></td>
<td>ii) Planning /Quality Control Engineer Degree</td>
<td>5</td>
<td>Rs. 50,000/- p.m</td>
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<tr>
<td></td>
<td></td>
<td>iii) Junior Engineer Diploma (Civil)</td>
<td>3</td>
<td>Rs 30,000/- p.m</td>
</tr>
<tr>
<td></td>
<td></td>
<td>iv) Safety Officer</td>
<td>2</td>
<td>Rs 50,000/- p.m</td>
</tr>
<tr>
<td></td>
<td></td>
<td>v) Supervisors (Diploma Engineering in Electrical/Mechanical/Civil or ITI)</td>
<td>5</td>
<td>Rs 25,000/- p.m</td>
</tr>
</tbody>
</table>

In case the above facilities are not provided by the PARTY within 10 (ten) days of award of work or replacement is not provided within the specified period, EPI shall arrange the same at the risk and cost of the PARTY and make the recoveries from the bills of the PARTY for the same. The decision of EPI shall be final binding on the PARTY in this regard. Rate of recovery in case of non-compliance of above will be stipulated as above.

33.0 Liquidated damages (Clause No 72.1 of GCC modified as under)
   a) The penalty at the rate of 1%(one percent) of the estimated cost of balance works for every 100% (hundred percent) of delay on part of contractor will be imposed subject to a maximum of 7.5% (seven point five percent) of the amount put to tender.
   b) The work should progress according to the milestones fixed as per CPM/PERT chart and the contractor is responsible to achieve these approved milestones. The progress will be reviewed every month. In case of any delay which is not beyond the control of contractor, liquidated damages shall be levied as per (a)

34.0 Security Deposit cum Performance Guarantee (Clause No 9.0 of GCC modified as under):
   A sum of 6.5 %( Six point five percent only) of the RA bill value shall be recovered from each running bill. In addition the EMD amount submitted along with bid shall also be retained towards performance security. The Security deposit so retained shall be kept till completion of defect liability period. Alternatively the Security deposit can be released on completion of work upon submission of Bank Guarantee for equivalent amount from any Nationalized/scheduled bank in the prescribed proforma of EPI with validity up to defect liability period or till release of EPI’s PBG whichever is later.

35.0 Clause no 28.3 of GCC of EPI stands deleted.
36.0 The association of the party / tenderer: In case of non-approval of party’s association by the client for the project due to any reason whatsoever at any stage of the works, the party shall have no claim on EPI.

37.0 **Defect Liability period (GCC Clause no 74.0 modified as under):**
The defect liability period is for 12 months from the date of taking over of works by KNNL/EPI. During this period Contractor has to rectify any defects as pointed out failing which EPI reserves the full right to rectify those defects at the risk and cost of Contractor.

38.0 **Procurement of Materials.**
The Contractor shall procure materials as per approved make/vendor list as specified in Client document.
In case of exceptional circumstances alternate make/vendor for procurement of material may be allowed in works with prior approval of Client/EPIL. In case of decrease in the purchase price, the difference in rate per unit shall be recoverable as per prevailing market rate. However no reimbursement shall be made in case of increase in basic cost of materials.

39.0 **Royalties (GCC clause no 14.0 modified as under)**
The Employer/EPI shall deduct Royalties on material used in the works from the progress payments to the contractor at the rates specified in the most recent “Amendment to the Karnataka Minor Mineral concessions rules-2007” as published by the commerce and Industries Department (Mines) and as illustrated in Annexure-1 as given below.
### ANNEXURE-I

**SUB: THE KARNATAKA MINOR MINERALS CONCESSION (AMENDMENT) RULES, 2003**

**COMMERCE AND INDUSTRIAL SECRETARIAT**

**NOTIFICATION NO. CI 56, MMN 2006, BANGALORE, DATED: 23rd June, 2007**

**SCHEDULE – I**

(See Sub. Rule (1) of Rule 36)

<table>
<thead>
<tr>
<th>SL. No.</th>
<th>Name of the Minor Mineral</th>
<th>Rate per Unit/quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>ORNAMENTAL AND DECORATIVE BUILDING STONES as defined under clause (m) of rule 2.</td>
<td>25000</td>
</tr>
<tr>
<td>2.</td>
<td>Felsite and its varieties suitable for use as Ornnamental Stores.</td>
<td>25000</td>
</tr>
<tr>
<td>3.</td>
<td>Quartzite and Sand stone and their varieties suitable for use as Ornnamental Stones.</td>
<td>25000</td>
</tr>
<tr>
<td>4.</td>
<td>Marble or crystalline lime stone as Ornamental Stone</td>
<td>25000</td>
</tr>
<tr>
<td>5.</td>
<td>Bentonite</td>
<td>25000</td>
</tr>
<tr>
<td>6.</td>
<td>Fullers Earth</td>
<td>25000</td>
</tr>
<tr>
<td>7.</td>
<td>Lime Stone under title “ Shahabab stone”</td>
<td>15000</td>
</tr>
<tr>
<td>8.</td>
<td>Lime Stone (Non Cement)</td>
<td>15000</td>
</tr>
<tr>
<td>9.</td>
<td>Ordinary building stones - Entire state As defined under clause (g) of rule 2</td>
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</tr>
<tr>
<td>a</td>
<td>Bangalore, Kolar, Mysore, Mandya and Tumkur</td>
<td>15000</td>
</tr>
<tr>
<td>b</td>
<td>Other Districts</td>
<td>10000</td>
</tr>
<tr>
<td>10.</td>
<td>Lime Shell</td>
<td>15000</td>
</tr>
<tr>
<td>11.</td>
<td>Lime Kankar</td>
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</tr>
<tr>
<td>12.</td>
<td>Agate and Chalcedony</td>
<td>15000</td>
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<tr>
<td>13.</td>
<td>Ordinary sand</td>
<td>10000</td>
</tr>
<tr>
<td>14.</td>
<td>Brick and Tile clays</td>
<td>5000</td>
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<tr>
<td>15.</td>
<td>Steatite and sand stone used for making household utensils/articles - Entire state</td>
<td>10000</td>
</tr>
<tr>
<td>16.</td>
<td>Sand stone used for making house hold articles</td>
<td>10000</td>
</tr>
<tr>
<td>17.</td>
<td>Murram</td>
<td>3000</td>
</tr>
<tr>
<td>18.</td>
<td>All other minor minerals - Entire state</td>
<td>5000</td>
</tr>
</tbody>
</table>
## SCHEDULE - II
*(See Sub. Rule (1) of Rule 36)*

### ROYALTY

<table>
<thead>
<tr>
<th>SL. No.</th>
<th>Name of the Minor Mineral</th>
<th>Rate per Unit/quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>ORNAMENTAL AND DECORATIVE BUILDING STONES-as defined under clause (m) of rule 2. (A) DYKE ROCKS</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i) Black granites</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a) Mysore and Chamarajanagar Districts.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>b) All other Districts other than (a) above.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii) Other varieties of dykes other than black granites (Entire State)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rs.3000 per M³</td>
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<td>Rs.2500 per M³</td>
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<td>(B) (1) PINK and Red granites (ILKAL PINK VARIETY)</td>
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<td>i) Hungund Taluk of Bagalkot and Badami taluk of Bijapur Dist., Kushtagi of Koppal Dist.</td>
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<td>ii) PINK and Red granites, gneisses and their textural &amp; structural varieties (other than ILKAL Pink variety)</td>
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<td>(C) GREY &amp; WITH GRAINITES and Their varieties</td>
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<td></td>
<td>i) Very fine grained grey Granite (SIRAGREY variety)</td>
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<td>Chintamani, Siddalaghatta of Kolar Dist., Hoskote of Bangalore District.</td>
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<td>ii) Grey &amp; white granites &amp; their textural varieties having shades of grey, black &amp; white colours, (other than (i) above)</td>
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<td>Entire State</td>
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<td>Rs.1500 per M³</td>
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<td>Rs.1000 per M³</td>
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<td>2.</td>
<td>Felsite and its varieties suitable for use as ornamental stones - Entire state.</td>
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<td>Rs.1200 per M³</td>
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<td>3.</td>
<td>Granite and sand stones and their varieties suitable for use as Ornamental stones- Entire State.</td>
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<td>Rs.1200 per M³</td>
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<td>4.</td>
<td>Marble or crystalline lime stone as ornamental stone - Entire state.</td>
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<td>Rs.1200 per M³</td>
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<td>5.</td>
<td>Bentonite – Entire state</td>
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<td>Rs.200 per MT</td>
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<td>6.</td>
<td>Fullers earth - Entire state</td>
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<td>Rs.200 per MT</td>
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<td>7.</td>
<td>Lime stone under the title &quot;Shahabad stone&quot;</td>
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<td>Rs.80 per 10 Sq.m</td>
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<td>8.</td>
<td>Lime stone (Non cement) when used for building stone - Entire state.</td>
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<td>Rs.20 per MT</td>
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<td>9.</td>
<td>Ordinary building stones - Entire state as defined under clause (g) of rule 2.</td>
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<td>Rs.30 per MT</td>
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<td>10.</td>
<td>Lime Stone - Entire state</td>
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<td>Rs.60 per MT</td>
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<td>11.</td>
<td>Lime Kankar (Non-Cement) - Entire state</td>
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<td>Rs.25 per MT</td>
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40.0 ALTERATION IN QUANTITY OF WORK, SPECIFICATIONS AND DESIGNS, ADDITIONAL WORK, DELETION OF WORK (GCC Clause No.69 is modified as under)

(a)-i) The Client/EPI shall have power to make any alterations in, omissions from, additions to or substitutions for the original specifications, drawings, designs and instructions that may appear to him to be necessary or advisable during the progress of the work. For that purpose or if for any other reason it shall in his opinion be desirable, he shall have power to order the Contractor to do and the contractor shall do any or all of the following:-

a) Increase or decrease the quantity of any work included in the contract,
b) Omit any such work,
c) Change the character or quality or kind of any such work,
d) Change the levels, lines, positions and dimensions of any part of the work,
e) Execute additional work of any kind necessary for the completion of the works and
f) Change in any specified sequence, methods or timing of construction of any part of the work.

Contractor bound by Client/EPI instructions

The Contractor shall be bound to carryout the work in accordance with any instructions in this connection which may be given to him in writing signed by the Client/EPI or other competent authority and such alteration shall not in any way vitiate or invalidate the contract.

Orders for variations to be in writing

(ii) No such variations shall be made by the Contractor without an order in writing of the
Client/EPI, provided that no order in writing shall be required for increase or decrease in the quantity of any work where such increase or decrease in the quantity of any work where such increase or decrease is the result of the quantities exceeding or being less than those stated in the ‘Schedule B’, provided also that if for any reason the Client/EPI shall consider it desirable to give any such order verbally, the Contractor shall comply with such order and any confirmation in writing of such verbal order given by the Client/EPI, whether before or after the carrying out of the order, shall be deemed to be an order in writing within the meaning of this clause, provided further that if the contractor shall within seven days confirm in writing to the Executive Engineer and if such confirmation is not contradicted in writing within fourteen days by the Client/EPI, it shall be deemed to be an order in writing by the Executive Engineer.

(iii) Any additional work which the contractor may be directed to do in the manner above specified as part of the work shall be carried out by the Contractor on the same conditions in all respects on which he agreed to do the main work and at the same rates as are specified in the tender for the main work. However, change in the unit rates tendered and accepted shall be considered in respect of items under which the actual quantity of work performed exceeds the tender quantity by more than 25% and this change in rate will be restricted only to such excess quantity (i.e. beyond 125 percent of the tendered quantity).

Rate for excess quantity beyond 125 percent of tendered quantity

(b) The Additional quantity which exceeds 125 percent of the tendered quantity shall be paid at the rate(s) entered in or derived from the Schedule of rates prevalent at the time of occurrence of additions and alterations, plus or minus the overall percentage of the original tendered rates over the current Schedule of Rates of the year, in which the tender is accepted (as per the comparative statement prepared at the time of acceptance of the tender) or the rates entered in the agreement whichever is lower.

Rates for additional, substituted altered items of work

(c) If the additional, substituted or altered work includes any class of work for which no rate is specified in the contract, then such work shall be carried out at the rates specified for or derived from similar item of work in the agreement. In the absence of similar items in agreement, rate shall be as specified for or derived from similar items in the schedule of rates of the Division prevalent at the time of occurrence of such additional, substituted or altered items of work, plus or minus the overall percentage of original tendered rates over the current schedule of rates of the year in which tender is accepted as mentioned in sub-clause (b) above. The rates so derived holds good till completion of the work. With regard to the question whether the additional, substituted or altered item/items of work/works is/are similar or not, to that/those in the agreement/in the Schedule of Rates of the Division, the decision of the Client shall be final and binding on the contractor till completion of work.

Determinations of rates for items not found in Estimate or Schedule of Rates

(d) If the rates for additional, substituted or altered work cannot be determined in the manner specified in sub clauses (b) and (c) above, then the contractor shall within 7 days of the date of receipt by him of the order to carry out the work, inform the Client/EPI of the rates which it is his intention to charge for such class of work, supported by analysis of the rate or rates claimed. Thereupon the Client/EPI shall determine the rate or rates on the basis of observed data and failing this on the basis of prevailing market rates. Under no circumstances the contractor shall suspend the work on the plea of non-settlement of rates for items falling, under this clause. In the event of any dispute regarding the rates for such items the decision of the Client/EPI shall be final.
41.0 NO CLAIM TO ANY PAYMENT FOR COMPENSATION FOR DELETION OF WHOLE OR PART OF WORK

(a) If at any time after the execution of the contract documents, the Client/EPI, for any reason whatsoever, require the whole or any part of the work, as specified in the tender, to be stopped for any period or require the whole or part of the work (i) not to be carried out at all or (ii) not to be carried out by the tendered contractor, he shall give notice in writing of the fact to the contractor who shall thereupon suspend or stop the work totally or partially as the case may be. In any such case, except as provided hereunder, the contractor shall have no claim to any payment of compensation whatsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not so derive in consequence of the full amount of the work not having been carried out, or on account of any loss that he may be put on account of materials purchased or agreed to be purchased, or for unemployment of labour recruited by him. He shall not also have any claim for compensation by reason of any alterations having been made in the original specifications, drawings, designs and instructions which may involve any curtailment of the work as originally contemplated.

Payment for materials already purchased or ordered by contractor

(b) Where, however, materials have already been purchased or agreed to be purchased by the contractor before receipt by him of the said notice the contractor shall be paid for such materials, at the rates determined by the Client/EPI or other competent authority provided they are not in excess of requirements and are of approved quality and/or shall be compensated for the loss, if any, that he may be put to, in respect of materials agreed to be purchased by him, the amount of such compensation to be determined by the Client/EPI whose decision shall be final.

Labour charges during stoppage of work

(c) If the contractor suffers any loss on account of his having to pay labour charges during the period during which the stoppage of work has been ordered under this clause, the contractor shall on application, be entitled to such compensation on account of labour charges as the Executive Engineer or other competent authority, whose decision shall be final, may consider reasonable. Provided that the contractor shall not be entitled to any compensation on account of labour charges if in the opinion of the Client/EPI, the labour could have been employed in the same locality by the contractor for the whole or part of the period during which the stoppage of the work has been ordered as aforesaid.

Time limit for stoppage of work

(d) The period of stoppage ordered by the Client/EPI should not ordinarily exceed six months. Thereafter the portion of works stopped may be treated as deleted from this agreement if a notice in writing to that effect is given to the Client/EPI by the contractor within seven days after the expiry of the above period.
Execution of work deleted

The portion of work thus deleted may be got executed from the same contractor on supplemental agreement on mutually agreed rates which shall not exceed current Schedule of Rates plus or minus tender percentage.

42.0 NO CLAIM TO ANY PAYMENT FOR COMPENSATION FOR DELETION OF WHOLE OR PART OF WORK

(a) If at any time after the execution of the contract documents, the Client/EPI shall, for any reason whatsoever, require the whole or any part of the work, as specified in the tender, to be stopped for any period or require the whole or part of the work (i) not to be carried out at all or (ii) not to be carried out by the tendered contractor, he shall give notice in writing of the fact to the contractor who shall thereupon suspend or stop the work totally or partially as the case may be. In any such case, except as provided hereunder, the contractor shall have no claim to any payment of compensation whatsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not so derive in consequence of the full amount of the work not having been carried out, or on account of any loss that he may be put on account of materials purchased or agreed to be purchased, or for unemployment of labour recruited by him. He shall not also have any claim for compensation by reason of any alterations having been made in the original specifications, drawings, designs and instructions which may involve any curtailment of the work as originally contemplated.

Payment for materials already purchased or ordered by contractor

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Labour charges during stoppage of work

(c) If the contractor suffers any loss on account of his having to pay labour charges during the period during which the stoppage of work has been ordered under this clause, the contractor shall on application, be entitled to such compensation on account of labour charges as the Client/EPI, whose decision shall be final, may consider reasonable. Provided that the contractor shall not be entitled to any compensation on account of labour charges if in the opinion of the Client/EPI, the labour could have been employed in the same locality by the contractor for the whole or part of the period during which the stoppage of the work has been ordered as aforesaid.

Time limit for stoppage of work

(d) The period of stoppage ordered by the Client/EPI should not ordinarily exceed six months. Thereafter the portion of works stopped may be treated as deleted from this agreement if a notice in writing to that effect is given to the Client/EPI by the contractor within seven days after the expiry of the above period.
Execution of work deleted

The portion of work thus deleted may be got executed from the same contractor on supplemental agreement on mutually agreed rates which shall not exceed current Schedule of Rates plus or minus tender percentage.

43.0 CONTRACTOR NOT ENTITLED TO ANY CLAIM OR COMPENSATION FOR DELAY IN EXECUTION OF WORK DUE TO WATER IN BORROW PITS

The contractor shall not be entitled to claim compensation if there is any delay in the execution of the work on account of water standing in borrow pits and compartments. The rates of borrowing earth and of excavation hold good for all situations such as hard or cracked soils, excavation in mud, subsoil water or water standing in borrow pits and no claim for extra rate shall be entertained, unless otherwise expressly specified.

44.0 ACTION AND PENALTY IN CASE OF BAD WORK

If at any time before the security deposit is refunded to the contractor, it shall appear to the Client/EPI or his subordinate in charge of the works that any work has been executed with unsound, imperfect or unskillful workmanship or with materials of inferior quality, or that any materials or articles provided by him for the execution of the work are unsound, or of a quality inferior to that contracted for, or are otherwise not in accordance with the contract, it shall be lawful for the Client/EPI to intimate this fact in writing to the contractor and then notwithstanding the fact that the work, materials or articles complained of may have been paid for, the contractor shall be bound forthwith to rectify, or remove and reconstruct the work so specified in whole or in part, as the case may require, or if, so required shall remove the materials or articles at his own cost, and in the event of his failing to do so within a period to be specified by the Client/EPI in the written intimation aforesaid, the contractor shall be liable to pay a penalty not exceeding one percent of the amount of the estimate for every day not exceeding ten days during which the failure so continues and in the case of any such failure the Client/EPI may rectify or remove and re-execute the work or remove and replace the materials or articles complained of as the case may be, at the risk and expense in all respects of the contractor. Should the Client/EPI for any valid reasons consider that any such inferior work or materials as described above is to be accepted or made use of, it shall be within his discretion to accept the same at such reduced rates he may fix thereof.

45.0 MEASURES FOR PREVENTION OF FIRE

The contractor shall not set fire to any standing jungle, trees, brushwood or grass without a written permit from the Client/EPI. When such permit is given, and also in all cases when destroying cut or dug up trees, brushwood, grass, etc., by fire, the contractor shall take necessary measures to prevent such fire spreading to or otherwise damaging surrounding property.

46.0 LIABILITY OF CONTRACTOR FOR ANY DAMAGES DONE IN OR OUTSIDE WORK AREA

Compensation for all damages done by contractor or his men whether in or beyond the limits of KNNL/EPI property including any damage caused by spreading of fire shall be estimated by the KNNL/EPI, and the estimate of the KNNL/EPI, subject to the decision of the KNNL/EPI on appeal, shall be final and the contractor shall be bound to pay the amount of the assessed compensation on demand failing which the same will be recovered from the contractor as damages in the manner deducted by the KNNL/EPI from any sums that may be
due or become due from KNNL to the contractor under this contract or otherwise.

The contractor shall bear the expenses of defending and action or other legal proceedings that may be brought by any person for injury sustained by him owing to neglect of precautions to prevent the spread of fire and shall pay any damages and cost that may be awarded by the court in consequence.

47.0 CONSEQUENCES OF SUBLETTING WORK WITHOUT APPROVAL, THE CONTRACTOR BECOMING INSOLVENT, BRIBING ETC, BY CONTRACTOR AND ACTION AGAINST THE CONTRACTOR

Work not to be sublet

(a) The contract shall not be assigned or sublet by the Contractor. However, any specific portion of the work which is of a specialised nature and normally not executable by a general Contractor could be got done by the specialised agencies which are executing such works, after obtaining the specific approval of the Client/EPI in writing in each case. Such consent to sublet the work, if given, shall not relieve the Contractor from any liability or obligation under the contract and he shall be responsible for the acts, defaults and neglects of any sub-contractor or his agents, servants or workmen as fully as if they were the acts, defaults or neglects of the contractor, his agents, servants or workmen.

If the contractor shall assign or sublet his contract or any portion thereof without the specific approval of the Client/EPI or attempts to do so or become insolvent or commence any proceedings to get himself adjudicated as insolvent or make any composition with his creditors or attempts so to do or if any bribe, gratuity, gift, loan, perquisite reward or advantage, pecuniary or otherwise, shall either directly or indirectly be given, promised or offered by the Contractor or any of his servants or agents to any officer or person in the employ of Client/EPI in any way relating to his office or employment or if any such officer or person shall become in any way directly or indirectly interested in the contract, the Client/EPI may thereupon by notice in writing rescind the contract and the security deposit of the contractor shall thereupon stand forfeited and be absolutely at the disposal of Client/EPI, the contractor shall not be entitled to recover or be paid for any work actually performed under contract.

Recovery of excess payments based on excess measurements and action against contractor

(b) Whenever it is noticed that excess payments have been made to the contractor based on excess measurements recorded by the subordinate in the measurement book and countersigned by the contractor or his duly authorised agent, action shall be taken to recover the excess payments together with interest immediately. Action may also be taken to remove the name of the contractor from the approved list of contractors and also to black-list him.

Change in classification of excavations accepted not permitted

Once the measurements mentioning the classification of the excavations are recorded in the measurement book and the same is signed by the contractor or his authorised agent in token of acceptance, no request for reclassification by the contractor shall be entertained.

Criminal proceeding against Departmental Officers and contractor for the lapses
C) KNNL/EPI also reserves the right to initiate criminal proceedings against the concerned Departmental Officers who are directly responsible for the lapse and the contractors who have colluded with the departmental officers in the lapse and fraudulently received amounts not due to them legitimately.

48.0 LAND

It is the policy of the KNNL to acquire the lands permanently required for the works following the procedure set forth in the Land Acquisition Act. However, if at the commencement of the work, any or all of the lands (either in parts or in whole) required for the work are not yet acquired by the KNNL, it shall be the responsibility of the contractor to obtain possession of such land/lands from the land owner by negotiations between him and the contractor at no extra cost to KNNL. In case of any obstruction from the land owner during the construction period or during the maintenance period of 12 months, the contractor has to make his own arrangements to get the dispute settled and to bear the extra cost, if any, on that account. No extension of time shall be granted on account of time taken by the contractor for such settlement.

49.0 QUARRIES AND BORROW AREAS

All materials for construction which are not available from excavation shall be obtained from the quarries and borrow areas which shall be got approved from the Engineer. In no case, the quarry / borrow area shall be within the acquired area of KNNL/EPI. The KNNL/EPI will not make available any quarry or borrow area. The contractor shall himself explore the quarries and borrow areas required for the work and quote his rates for finished items of work in Schedule B accordingly with all heads and lifts. The leads considered in the sanctioned estimate are for the estimate purposes and shall not be taken as the actual leads for materials during execution. No claims whatsoever shall be made, nor entertained for any extra leads over and above the leads considered in the estimate. No claim of any compensation shall be due to the contractor, on any account whatsoever, such as the quarries and borrow areas considered in the estimate being found unsuitable or inadequate in yield, the haulage routes reckoned being found unsuitable, the leads reckoned being found incorrect, the land owners obstructing the procurement and conveyance etc. The KNNL/EPI does not undertake to acquire lands for the quarries and borrow areas. It is the responsibility of the contractor to negotiate with land owners and acquire the lands to himself, either permanently or temporarily, and procure the required materials. If the quarries / borrow areas do not give sufficient quantity of material, contractor shall make his own arrangements for additional quarries/borrow areas, with the approval of the Client/EPI and bear cost of investigations and negotiations, all leads and lifts, cost of land etc. at his own expense without claim for any payment over and above his tendered rates.

Departmental investigations of the quarries and borrow areas, on the basis of which the departmental estimates of cost are prepared, have been made with the intention of having the most economical leads for the construction of work. If at any time after the entrustment of work, the department finds quarries and borrow areas affording more economical leads and obtains possession of such lands, the department reserves the right to order the contractor to bring materials from such quarries and borrow areas and to reduce his rates in consequence thereof.
In all such cases, whether the contractor complies with the orders or not, the rate of the concerned item of work in Schedule B will be reduced for the quantities executed after two weeks from the date of communication of the order by an amount corresponding to the difference in the lead charges computed on the basis of the departmental schedule of rates adopted for preparing the comparative statement at the time of the acceptance of tender plus or minus the percentage above or below in the original tender rates for that particular item of work.

50.0 **INCOME TAX**
Deduction at source towards Income Tax will be made from the contractor’s bills at the rates prevailing at the time of payment as fixed by the Income Tax Authorities and the tax deductions certificate will be issued at the end of the financial year.

51.0 **SALES TAX**
Deduction at source towards Sales Tax will be made as per the norms and the statutory order of government.

52.0 **DEWATERING, DESILTING AND DIVERSION OF FLOWS**
Any water encountered during the execution of work shall be suitably removed by baling out or pumping and any accumulated silt due to any reason whatsoever, during the execution of work shall also be removed and disposed off. All surface flows shall be diverted outside the work area by suitably channelising the flows, by providing cross bunds and conducting the flows in pipes, conduits, etc., or by cross bunding and pumping etc depending upon the site conditions and exigencies of work. The cost of all such operations shall be considered as included in the quoted rates of the concerned finished items of work and shall not be separately paid.

53.0 **PROCUREMENT OF CEMENT, STEEL AND BLASTING MATERIALS**
The responsibility of procuring all materials including cement, steel and explosives (and license thereof) shall rest with contractor only. The material may be of standard quality and got tested from the department at the cost of the contractor.

54.0 **CLEARING THE SITE**
The area to be occupied by the work and the quarries and borrow areas shall be cleared off all vegetations, including trees, roots, ant hills and other extraneous matters. The site shall be cleared to the full width of the works as directed by the Engineer-in-charge. No separate payment is admissible for clearing the site.

55.0 **ALL PROPERTIES, PRECIOUS STONES, METAL AND RELICS TO BE HANDED OVER TO DEPARTMENT.**
All gold, silver, oil or other materials of any description what-so-ever and other similar things that may be discovered on the site shall remain the property of the Government and the contractor shall duly intimate the Engineer-in-charge or any person duly authorised by him to receive such property from time to time.

56.0 **PRESERVATION OF TREES**
The contractor shall preserve all existing trees in and adjacent to the sites which do not
interfere with the construction as determined by the Client/EPI.

57.0 TAKING INITIAL LEVELS, MARKING OUT THE LAYOUT AND FIXING THE REFERENCE LINES

Before starting the work, the contractor or his authorised agent shall be present while taking levels of the ground along and across the portion of the Canal works, which the contractor has agreed to execute. He will further be required to sign the field book and also L sections and cross sections of the works based on the ground levels taken in token of acceptance of the ground levels before the commencement of work or fresh items of excavation below a preceding item. In case he commences the work without verifying and accepting the cross sections and L-sections of the ground, it will be assumed that he has accepted the L-sections and cross sections taken by the Client/EPI staff and no complaint or claims what-so-ever in this behalf will be entertained. It shall be the responsibility of the contractor to mark the line-out as per directions of the Engineer-in-charge. The contractor or his duly authorised agent shall be present at the time of setting out giving profiles etc., and shall supply all the materials and sufficient number of mazdoors required for taking measurements of works, giving line out etc., at his cost.

The stone masonry platforms and reference pillars etc., of suitable size as directed by the Engineer-in-charge with level top shall be built and maintained by the contractor at his cost till the completion of work along the reference lines to facilitate the mark out and layout of various appurtenant works.

58.0 PLANT LAYOUT, CONTRACTORS OFFICE, MACHINE YARD, LABOUR CAMP ETC.

Within a fortnight of the date of award of the contract, the contractor shall submit to the Executive Engineer for the approval of the department the layout of the construction plant and equipment for execution of work and also the location and layout of contractors office, machine yard, workshop, stores, storage yard, labour camps etc including the layout of necessary services such as water supply, sanitation etc.

59.0 LANDS FOR THE USE OF THE CONTRACTORS CAMP

The contractor shall have to make his own arrangements with regard to land required for construction of quarters at the work spot. However, the KNNL/EPI at its discretion may make land available. In such a case necessary charges as fixed by the Engineer-in-charge will be levied.

60.0 SAFETY CODE

(i) These safety provisions should be brought to the notice of all concerned by display on notice board by the Contractor at a prominent place at work spot. The persons responsible for compliance of the safety code shall be named therein by the contractor.

(ii) To ensure effective enforcement of the rules relating to safety precautions, the arrangement made by the contractor shall be open to inspection by the Labour-Officer, Engineer or their representatives.

(iii) All necessary personal safety equipments as considered adequate by the Engineer-in-
Charge should be kept available for the use of persons employed at the site and maintained in a condition suitable for immediate use and the contractor should take adequate steps to ensure proper use of equipment by those concerned.

(a) Workers employed on mixing concrete, cement grout, cement mortar shall be provided with protective footwear and protective goggles and protective gloves.

(b) Those engaged in mixing or stacking cement or any materials injurious to the eye, nose and mouth shall be provided with a face mask and protective cover free of cost by the contractor.

(c) Those engaged in welding work shall be provided with welder’s protective eye shield and gloves.

(d) Stone breakers shall be provided with protective goggle and protective clothing and seated at sufficiently safe intervals.

(e) Those engaged in binding and fabricating steel shall be provided with protective gloves.

(f) Those Engaged in deep cuts, tunnels, large rock excavation shall be provided with helmets.

(iv) When the work is near any place where there is risk of drowning all necessary equipments shall be kept ready for use and all necessary steps taken for prompt rescue of any person in danger and adequate provisions should be made for prompt first aid treatment of all injuries likely to be sustained during the course of work.
(v) Adequate and suitable caution and danger signal boards shall be prominently exhibited at road/river crossing/high tension over head line/where heavy electrical machines are working/where overhead cranes or hoist; derricks, winches are working/where blasting zone is demarcated. The content of the board shall be in English and the local language for easy identification.

vi) All scaffolding, ladder, stairways, gangways, staging, centering, form work and temporary support and safety devices etc. shall be sound in strength and construction and maintained as such throughout its use.

(vii) No materials on any site of work shall be so stacked as to cause danger or inconvenience to any persons or public.

(viii) The contractor shall provide all necessary fencing and lighting to protect the public/working men from accident and shall be bound to bear the expense of defence of every suit action or other proceedings of law that may be brought by any person for injury sustained owing to neglect of the above precautions and to pay any damages and costs, which may be awarded in any such suit action or proceedings to any such persons or which may with consent of the contractor be paid to compensate any claims by any such persons.

(ix) No electric cables or apparatus which is liable to be a source of danger to persons employed shall remain electrically charged unless a caution Board is put in to that effect and close approach to the same is prohibited.

(x) All practical steps shall be taken to prevent danger to persons employed from risk of fire or explosives or flooding. No floor, roof or other portion of any building used for residence shall be so over-loaded with debris or materials so as to render it unsafe.

(xi) The final disposal of water used for work or removed from work spot as well as the supply used for domestic consumption shall be as directed by the Executive Engineer. The contractor shall make his own arrangement for purification of domestic water supply used by his staff and labour colony and used on the site of work to the satisfaction of the Executive Engineer.

(xii) The source of drinking water supply/distribution system in workers colony shall be protected from chances of contamination by poisonous materials/epidemic causing infections bacteria etc., by maintaining the source and system under adequate hygienic conditions.

(xiii) Not withstanding the above clauses from (i.) to (xii) there is nothing in this to exempt the contractor to exclude the operations of any other Act or Rules in force of the Central Government.

61.0 DERIVED RATES

When an item of work appearing in Schedule B is a combination of two or more items appearing in the Divisional Schedule of rates, the rate for that item shall, for the purpose of the operation of Clause no.40 of the Additional conditions of contract, be derived by combining the current rates of the concerned items in the same proportion as is adopted for arriving at the estimated rate for the comparative statement prepared at the time of acceptance of the tender.
62.0 RETURN OF KNNL LANDS IN GOOD CONDITION

The lands if any, made available to the contractor for his camps by the KNNL/EPI shall be handed back to the KNNL/EPI within three months after the completion of the work under this contract. Also, no land shall be held by the contractor for a longer period than necessary and the contractor shall on due notice by the KNNL/EPI to vacate and return the land which the Client may certify as no longer required by the contractor for the purpose of the work. The lands shall be returned in good condition.
### SCHEDULE-B
(MEMORANDUM SHOWING THE ITEMS OF WORKS TO BE CARRIED OUT)

Name of work:

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantities estimated.</th>
<th>Description of item</th>
<th>Item rate as per sanctioned estimate</th>
<th>Reference to detailed specification of the tender</th>
<th>Unit</th>
<th>Total amount</th>
</tr>
</thead>
<tbody>
<tr>
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</table>


1. The percentage shall be entered in figures and words clearly and visibly. Any correction shall be attested by the contractor.

2. The offer shall be for finished items of work, complete in all respects, inclusive of all materials all tools and plants, all labour required for the work, all leads and lifts, all incidental charges, dewatering and desilting if any, diversion of water, diversion of road for traffic, initial and final clearance of site, providing labour amenities, all taxes and levies such as sales tax, income tax royalty charges etc.,

3. For items of cement concrete and reinforced cement concrete of controlled grades, the cement content mentioned in the detailed technical specification is for guidance only. The unit rate quoted should take care of the variation of cement content if any during execution to achieve the required specification and no extra payment will be made towards any variation in cement content.

4. If any lands required for the work and for quarries and borrow areas are not acquired by the KNNL, the contractor should get the lands by negotiations with the land owners without causing any extra cost to the KNNL on that account.

5. The submission of the tender by a contractor implies that he had read the contents of the tender notice and contract form, the contents of the conditions of the contract, additional conditions of the contract, detailed technical specifications and all other contents of the tender document and made himself thoroughly aware of the scope and specification of the work to be done and the availability of the quantity of the materials required.
RULES UNDER SCHEDULE-B

1. The percentage quoted by the contractor in this schedule shall hold good till the fulfillment of the contract without reference to the fluctuation in the market rate or variation in labour percentage or any other cause except as provided in clause 40 of agreement for such of the items not covered in the schedule-B.

2. The percentage quoted in the Schedule-B should be through rates for the finished items inclusive of all royalties, sales tax, quarry fees wherever applicable and appropriate (as per the statement of royalties enclosed).

3. There is no separate item as dewatering or desilting or river diversion work. All items are inclusive of dewatering or desilting or pumping out water at all stages of work. The percentage quoted should inclusive of dewatering and desilting charges. No extra payment on any account shall be made for dewatering or desilting charges.

4. Water for construction shall be arranged by the contractor at his expenses.

5. It is the incumbent on the part of the contractor to make the full use of the useful materials obtained from excavation as per directions of the KNNL.

6. The levels and dimensions shown in the drawings are approximate and may vary during the course of execution of the above items of work and the contractor will not be entitled for any extra rate or compensation due to such variation including time extension.

7. Any damage caused during construction to any part of the work due to any reasons including calamities and flood damages whatsoever shall be made good at the contractor's expenses until the work is handed over in the complete manner as per agreement. No claims will be entitled in this regard including extension of time.

8a) Percentage quoted include clearance of site prior to commencement of work and at its completion in all respects and hold good for work under all weather conditions.

8b) It shall be the responsibility of the contractor to establish their own quarries for the materials required for the construction purpose.

9. All items shall be executed as per the approved design, drawing and pattern and shall comply with the specifications and general conditions relating to the work enclosed with the tender and orders conveyed by the competent authority in writing from time to time during the course of execution.

10. Contractors will have to make their own arrangements to obtain electric power at their own cost from Karnataka Power Transmission Corporation Limited or by their own power generator. In case of failure of power supply the contractor will not entitled to any compensation or extension of time.
11. All works shall be carried out as per the detailed specifications and for the items not covered in
the Schedule-B shall be carried out as directed by the Engineer in charge.

12. The offer shall include lighting wherever necessary and provided and maintaining
communication facilities. No extra payments for these will be made on any account.

13. Description of items given below shall be read along with the general conditions of the contract
tender notifications, general specifications, test and acceptance criteria relating to the works
scheduled specifications and all other component parts of the tender document.

14. It is incumbent on the part of the contractor to use all the useful rubble available from canal
excavated spoil for breaking metal rubble required for UCR masonry rock toe, pitching and
concrete items after sorting out the same from the stacks. The available rubble will be issued to
the contractor at the issue rates mentioned in the Schedule-A. The contractor shall bring rubble
from quarry only after the rubble available from the canal excavation is exhausted and after
obtaining written instructions from the KNNL/EPI.

15. During execution of work the diversion work if any necessary for diverting and rediverting the
natural stream or drainage channels encountered on the alignment shall be done by the
contractor at his own cost till final completion of the work and the rates quoted shall be deemed
to include costs of all such diversion work. The contractor shall be held responsible for any
accidents occurring during execution.

16. The tenderer shall remove the silt wherever it is accumulated at his own cost.

17. The contractor will have to co-operate with the other agency working in the same or adjoining
area and shall not be entitled to any claims due to any inconvenience or delay handing over any
portion of working area. In case of any dispute with the adjacent contractor decision of the
Engineer in charge will be final.

18. Quantities indicated are approximate and may vary during execution due to alterations or
modifications in design. For any increase or reduction in quantities contractor shall are governed
by the provisions of clause 40 of Additional conditions of contract.

19. The rates for embankment with materials obtain ed from available spoil bank should not be more
than the rates for the embankment with materials obtained from borrow pits.

20. The useful dumped materials like rubble and so il coming within the toe line of the bank work
should be used for the embankment works after getting necessary quality control test, the
balance and the dumped materials should be disposed off from the site as per the instructions of
the Engineer in charge for which no extra payment will be made.

21. The contractor shall inspect the site and various quarries materials and ascertain the leads
involved in procuring the materials for the various items. The offer shall be inclusive of all leads
and lifts irrespective of what has been considered in the estimate. No extra claims over the
quoted rates on the aspect of lead and lift will be entertained.

The quality of materials used on the work should be got approved from the Engineer in charge
before it is used on the work. All quarry fees royalties octroi dues levied by the Government or
local body or authorities or private body and ground rent if any for stacking materials charged by
the concerned department or bodies shall be paid to the concerned department or bodies by the
contractor.
22. Quoted rates include all leads and lifts for completion of items in all respects and the cost of removing the overburden in all quarries and no claims for compensation therefore be entertained.

23. The Karnataka Neeravri Nigam Limited is not responsible for the source of materials.

24. The delay in payment of bills by the Karnataka Neeravri Nigam Limited/EPI due to shortage of funds or any other reasons beyond the control of the Karnataka Neeravri Nigam Limited/EPI the extension of time may be considered depending upon the merit of the case and no revised rates will be admitted and entertained on any grounds.

25. The tenderer shall make the payment of royalty charges as per Government notification No.CL-302 MRC 91 Dated 16.8.1995 Govt. order circular (copy under Annexure-C) with a subsequent modifications / revisions if any as issued by the Government from time to time to the concerned KNNL at his own cost. The tenderer should produce the necessary certificate to the Engineer in charge of work for having paid the royalty charges to the concerned authorities in respect of materials so quarried for the said work failing which no payment will be made to the tenderer for the measured quantity executed by him through R.A. bills or any other bills.

If the tenderer fails to comply the requirements as stated above then the Engineer in charge of the work is free to recover the royalty charges as per the Government notification in circulation with its subsequent modifications/ revisions, if any, as issued by the Government from time to time from the tenderer's work bills and thereafter if the tenderer suffers any loss or damages on account of this then the KNNL will not be responsible for any reasons whatsoever. The tenderer himself will be responsible for all the losses and consequences.

26. If the contractor expires during the course of execution of work the decision of the KNNL/EPI for closing / continuing the work shall be final.

27. The contractor is eligible to payment of excavation embankment masonry concrete items etc., as per drawings enclosed in the tender. If any extra work is done by him for his convenience no separate payment will be paid and no claims will be entertained including extension of time.

28. Typing and printing of numerical mistakes and interpretation of rates will not be considered for any claims of contractor. The decision of the competent authority is final.

29. In case of any obstructions from the land owners during the construction period of the work the Nigam will not take any responsibility and the contractor has to make his own arrangements to get the land disputes settled and bear extra cost if any.

30. In case there is any part or whole of land required for work is not yet acquired by the KNNL/EPI it shall be responsibility of the contractor to procure possession of such land by consent of the land owners before commencement of work at no extra cost to KNNL/EPI and no claim whatsoever relating to non availability of lands would be entertained.

31. The contractor shall furnish a programme of work along with the bar chart to complete the works within the time stipulated in tender soon after entering in to agreement.

32. The contractor’s attention is specially drawn to Sl.No.3 and 23 of rules under Schedule-B regarding claims of dewatering etc., and claims for extra lead etc., No claims whatsoever in this regard are entertained.
PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

Subject: Provision for price Adjustment for specified materials for works – Revision Reg.

Read: Govt. Order No. FD 59 PRO CELL 2004, dated 26-11-2004

Preamble:

In Government Order No. FD 59 PRO CELL 2004 dated 26th November 2004 read above, the following instructions were issued about price adjustment.

(a) A Price Adjustment clause shall be included in all Works contracts whose estimated cost put to tender is Rs.100 lakhs or more and the period of completion is 12 months or more. The Price Adjustment clause and the formulae for adjustment shall be as per Annexure-1 of the said G.O.

(b) In works contracts where, Price Adjustment Clause is provided the Price Adjustment shall be admissible from the date of opening of tenders (original or extended).

(c) Price Adjustment Clause shall not be included in Goods and Equipment, tender documents. However in respect of tender documents for procurement of electric cables, transformers, generators, motors, that have raw material component subject to price fluctuations, appropriate Price Adjustment clauses may be incorporated by the Tender Inviting Authority in the tender documents, with the specific approval of the concerned Head of the Department or Managing Director of the Public Undertaking/Board.

The PWD has requested for certain modifications in the above conditions as the Department is facing problem in procurement of agencies for implementation of various works due to rapid fluctuation of rates of construction materials especially cement, steel and bitumen. This has resulted in poor response to the tenders floated by the Department and also slowdown or stoppage of on-going works by the agencies. Further, the tender premiums being quoted by the agencies are very high which creates an opinion that the Schedule of Rates or the estimates are defective. Hence, P.W.D has requested to resolve this problem suitably by modifying the existing contract agreement to absorb the fluctuation in the market prices of major construction viz.,
on 26.11.2004, the proposal of F. O. No: 59 PRO Cell/ 2004 to introduce a price adjustment clause in the Tender Documents was discussed in detail and considering the frequent fluctuations in the basic rates of construction materials i.e. Cement, Steel, Bitumen, it was recommended by the Committee to modify the Government Order dated: 26.11.2004 referred to above.

The Government has considered the issue in detail and accordingly the following orders are issued.

**Government Order No. FD 3 PCL 2008, Bangalore, dated: 21-11-2008.**

In the circumstances explained in the preamble, in modification of the Government Order dated: 26-11-2004, it is directed that the following price adjustment methods are applicable hereafter.

a) For all works costing more than Rs. 50 lakhs, if the period of execution is more than 12 months, the price adjustment will be calculated as prescribed in Annexure to G.O. No: FD 59 PRO Cell/ 2004, dt: 26.11.2004.

b) If the period of execution is more than 6 months but less than or equal to 12 months for work costing more than Rs. 50 lakhs, star rates in respect of specified materials (cement, steel and bitumen) only shall be payable to the contractor based on the all India average wholesale price index for the said materials. The star rates adjustment shall be as per the increase or decrease in the index as applied to the said materials between the last date for receiving bids and the date of execution as per the approved programme of works submitted by the contractor at the time of execution of agreement which shall mandatorily be a part of the agreement.

c) If the period of execution is less than or equal to 6 months, for all works irrespective of the cost of the works, price adjustment or star rates shall not be applicable.

d) In works contracts where price adjustment clause is provided, the price adjustment shall be admissible from the date of opening of tenders (Original or extended).
Procurement Act, 1999.

2. The above instructions shall apply to all procurement entities as concluded previously or for tenders already invited.

3. The above instructions will only be applicable prospectively and PROC/2004 Dated: 26.11.2004 which is appended.

The formula for price adjustment shall be as follows:

(i) Government of India should be approved.
(ii) Ministry of Commerce and Industry.

The formula for working out price adjustment and for the purpose of working out price adjustment and be applicable

agreement for which price adjustment/price rate will be applicable for which price adjustment/price rates will

be applicable

for the cases (a) and (b) above, if the contract period

is extended due to no fault of the contractor, the

price adjustment clause or the over time shall not

be applicable.

To the extent of the part of the contractor

be applicable. If the contract period is extended due

The price adjustment clause or the over time shall not

2. The above mentioned methods of price adjustment clause are

(i) Price adjustment clause shall not be included in Goods and

(ii) Equipment under contract. However, in respect of Tender

E) Equipment under contract shall not be included in Goods and

(iii) For the purpose of working out the price adjustment and

(iv) For the cases (a) and (b) above, if the contract period

(v) To the extent of the part of the contractor

O) Price adjustment clause shall not be included in Goods and

(vi) Price adjustment clause shall not be included in Goods and

(vii) The formula for working out price adjustment and
5. The above instructions should be appropriately incorporated in the Standard Tender Documents.

By order and in the name of the Governor of Karnataka,

(M.R. Sreekumar Murthy)
Principal Secretary to Government, Finance Department

To:
The Compiler, Karnataka Gazette for publication in the next issue of the Gazette and to supply 500 copies to Finance Department

Copy to:
The Chief Secretary / Additional Chief Secretaries to Government
The Principal Secretaries and Secretaries to Government
The Principal Secretary to Hon'ble Chief Minister
The Accountant General (A&E), Karnataka, Bangalore
The Secretary to Government (Expenditure), Finance Dept.
The Secretary, Karnataka Legislative Assembly/Council
The Registrar, Karnataka High Court, Bangalore
The Registrar, Karnataka Lokayukta, Bangalore
The Secretary, Karnataka Public Service Commission, Bangalore
All the Deputy Commissioners
All the CEOs of Zilla Panchayats
All the Heads of Departments
All the CEOs of Boards and Corporations
All Internal Financial Advisors
CHANGE IN COST - PRICE ADJUSTMENT.

CLAUSE 44: This clause is applicable to the contracts where

i) The stipulated period of completion is 12 months or more and

ii) The tender cost of the work exceeds Rs. 100 lakhs or more.

Contract price shall be adjusted for increase or decrease in rates and prices of labour materials fuels and lubricants in accordance with the following principles and procedures and as per the formula given hereunder.

a) The price adjustment shall apply for the work done from the date of (commencement) opening of tender (original or extended) up to the end of the original period of completion or extensions granted by the employer and shall not apply to work carried out beyond the stipulated period of completion for reasons attributable to the contractor.

b) The price adjustment shall be determined during each quarter from the formula given under.

c) Following expressions and meanings are assigned to the work done during the quarter.

\[ R = \text{Total value of work done during the quarter. It would include the amount of secured advance for materials paid for (if any) during the quarter less the amount of the secured advance recovered during the quarter. It will exclude value of works executed under variations for which price adjustment (if any) will be worked out separately based on the terms mutually agreed.} \]

\[ L_0 = \text{The average consumer price index for industrial workers for } \ldots \ldots \ldots \text{ centre for the quarter preceding the date of opening of tenders as published by the Labour Bureau Ministry of Labour Government of India,} \]

\[ L = \text{The average consumer price index for industrial workers for } \ldots \ldots \ldots \text{ centre for the quarter under consideration as published by the Labour Bureau Ministry of Labour Government of India,} \]

\[ P_L = \text{Percentage of labour component of the work.} \]

PRICE ADJUSTMENT FORMULA:

(i) Price adjustment for increase or decrease in the cost due to labour shall be paid in accordance with the following formula.

\[ V_t = 0.85 \times P_L \times 100 \times \frac{R \times (L - L_0)}{L_0} \]

Where

\[ V_t = \text{Increase or decrease in the cost of work during the quarter under consideration due to changes in rates for local labour,} \]

\[ L_0 = \text{The average consumer price index for industrial workers for } \ldots \ldots \ldots \text{ centre for the quarter preceding the date of opening of tenders as published by the Labour Bureau Ministry of Labour Government of India,} \]

\[ L = \text{The average consumer price index for industrial workers for } \ldots \ldots \ldots \text{ centre for the quarter under consideration as published by the Labour Bureau Ministry of Labour Government of India,} \]

\[ P_L = \text{Percentage of labour component of the work.} \]

1. The formula has some normal components. It should be changed if need be to suit the nature of work.
2. The index numbers are available in the website [http://labourbureau.nic.in/inflab.html](http://labourbureau.nic.in/inflab.html).
3. Insert the name of the centre. The centres for which the indices presently available for the Karnataka are Bangalore, Belgaum, Hubli / Dharwad, Mysore. Choose the center nearest to the work for the tenders are invited.
(iii) Price adjustment for increase or decrease in the cost of steel procured by the contractor shall be paid in accordance with the following formula:

\[ V_s = 0.85 \times P_s / (100 \times R \times (S_s - S_0) / S_0) \]

Where,

- \( V_s \) = Increase or decrease in the cost of the work during the quarter under consideration due to changes in rates for steel,
- \( S_s \) = The all India average whole sale price index for steel (MS bars and rods) for the quarter preceding the date of opening of bids as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi,
- \( S_0 \) = The all India average whole sale price index for steel (MS bars and rods) for the quarter under consideration as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi,
- \( P_s \) = Percentage of steel component of the work.

Note: For the application of this clause index of M.S. bars and rods\(^5\) has been chosen to represent steel group.

(iv) Price adjustment for increase or decrease in the cost of bitumen procured by the contractor shall be paid in accordance with the following formula:

\[ V_b = 0.85 \times P_b / (100 \times R \times (B_b - B_0) / B_0) \]

Note: For the application of this clause index of Ordinary Portland cement\(^6\) has been chosen to represent cement group.

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4. The index numbers are available in the website [http://gain.industry.nic.in](http://gain.industry.nic.in)
5. This may changed depending on the major type of cement used depending on the nature of work.
6. This may be changed depending on the major material used depending on the nature of work.
\( V_B = \text{Increase or decrease in the cost of the work during the quarter under consideration due to changes in rate for Bitumen,} \)

\( B_0 = \text{The official retail price of bitumen at the IOC/ HPCL/ BPL or other depot at} \quad \text{on the day 30 days prior to the date of opening of Bids.} \)

\( B_1 = \text{The official retail price of bitumen at the IOC/ HPCL/ BPL or other depot at} \quad \text{for the 15th day of the middle calendar month of the quarter under consideration.} \)

\( P_B = \text{Percentage of Bitumen component of the work.} \)

**ADJUSTMENT OF FUEL AND LUBRICANT COMPONENT:**

(v) Price adjustment for increase or decrease in the cost of Fuel and Lubricants component shall be paid in accordance with the following formula

\[ V_F = 0.85 \times P_F / 100 \times R \times (F_t - F_o) / F_o \]

\( V_F = \text{Increase or decrease in the cost of the work during the quarter under consideration due to changes in rates for Fuel and Lubricants} \)

\( F_o = \text{The official retail price of High Speed Diesel (HSD) at the IOC/ HPCL/ BPL or other consumer pump} \quad \text{on the day 30 days prior to the date of opening of Bids.} \)

\( F_t = \text{The official retail price of High Speed Diesel (HSD) at the IOC/ HPCL/ BPL or other consumer pump} \quad \text{for the 15th day of the middle calendar month of the quarter under consideration.} \)

\( P_F = \text{Percentage of Fuel and Lubricant component of the work.} \)

Note: For the application of this clause the price of HSD\(^9\) has been chosen to represent Fuel and Lubricant group.

**ADJUSTMENT FOR PLANT AND MACHINERY SPARE COMPONENT:**

Advisory (vi) Price adjustment for increase or decrease in the cost of plant and machinery spares procured by the contractor shall be paid in accordance with the following formula.

\[ V_P = 0.65 \times P_P / 100 \times R \times (P_t - P_o) / P_o \]

\( V_P = \text{Increase or decrease in the cost of the work during the quarter under consideration due to changes in rates for plant and machinery spares} \)

\( P_o = \text{The all India average whole sale price index for Heavy machinery and parts for the quarter preceding the date of opening of bids as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi.} \)

\( P_t = \text{The all India average whole sale price index for Heavy machinery and parts for the quarter under consideration as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi.} \)

\( P_P = \text{Percentage of Plant and Machinery component of the work.} \)

Note: For the application of this clause index of the Heavy machinery and Parts\(^10\) has been chosen to represent Fuel and Lubricant group.

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\( ^7 \) Insert the nearest location of POL depot.

\( ^8 \) Insert the location of the nearest POL consumer pump.

\( ^9 \) This could be approximately changed to any other item depending on the nature of work.

\( ^10 \) This could be approximately changed to any other item depending on the nature of work.
ADJUSTMENT FOR OTHER MATERIALS

(viii) Price adjustment for increase or decrease in the cost of other materials other than cement, steel, Bitumen, and Fuel and Lubricants procured by the contractor shall be paid in accordance with the following formula:

\[ V_M = \frac{0.85 \times P_M}{100 \times R \times (M_i - M_e)} / M_o \]

where

\[ V_M = \] Increase or decrease in the cost of the work during the quarter under consideration due to changes in rates for local materials other than cement, steel, Bitumen, and Fuel and Lubricants.

\[ M_o = \] The all-India average whole sale price index for all commodities for the quarter preceding the date of opening of bids as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi.

\[ M_i = \] The all-India average whole sale price index for all commodities for the quarter under consideration as published by the Office of the Economic Advisor, Ministry of Commerce and Industry Government of India, New Delhi.

\[ P_M = \] Percentage of other materials (other than cement, steel, Bitumen, and Fuel and Lubricants) component of the work.

The following percentages will govern the price adjustment for the entire contract:

1. Labour - \( P_L \) = 20%
2. Cement - \( P_C \) = 25%
3. Steel - \( P_S \) = 20%
4. Bitumen - \( P_B \) = 9%
5. Fuel and Lubricants - \( P_F \) = 9%
6. Plant and machinery spare - \( P_P \) = 7%
7. Other materials - \( P_M \) = 9%

TOTAL 100%

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11. Add, delete or change depending on the nature of work.
12. The percentages have to be approximately worked out on the estimates of cost and incorporated in the tender document before issue. It shall not be changed even if there is change of scope of work during execution.
13. The components could be added or deleted or changed depending on the nature of work.
14. This could vary from 5% for normal works to 10% for highly mechanized operations in the work.
15. This could vary from 15% for normal works to 30% for highly mechanized operations in the work.
16. The total of the percentages for the various components of the works should be 100.