

**GOVERNMENT OF MEGHALAYA
OFFICE OF THE CHIEF ENGINEER, WATER RESOURCES DEPARTMENT
MEGHALAYA, SHILLONG**

No. SPMU(NHP)/Piezometer/33/2019-20/51

Dated Shillong the 24th January 2020

LETTER OF ACCEPTANCE

To:
Ganesh Laxmi Borewell
Nongmensong, Shillong
Meghalaya, India

1. This is to notify you that your quotation dated 18 November 2019 for execution of the **Construction of 02 (two) no. Deep Groundwater Piezometers and 02 (two) no. Shallow Groundwater Piezometers in different locations of East Jaintia Hills and West Jaintia Hills Districts of Meghalaya** for the contract price of **INR 22,43,550 (Indian Rupees twenty two lakh forty three thousand five hundred and fifty only)** inclusive of Goods and Services Tax (GST), is hereby accepted by us.
2. Pursuant to Clause 10 of Instructions to Bidders of Request for Quotations, you are hereby requested to furnish performance security for an amount of **INR 1,12,178.00 (Indian Rupees one lakh twelve thousand one hundred and seventy-eight only)** within 15 days of the receipt of the letter. The Performance Security in the form of either a Bank Guarantee or a Fixed Deposit/ Term Deposit Receipt in favour of '**National Hydrology Project, Meghalaya Water Resources**' shall be valid till the expiry of the period of maintenance plus 45 days i.e. upto 19th March 2021. Failure to furnish the Performance Security will entail cancellation of the award of contract.
3. You are also requested to sign the contract agreement within 15 days of the receipt of the letter.

Encl: Draft Contract Agreement.


[Shri W.M.M. Law]
Chief Engineer,

Water Resources Department, Meghalaya
Govt. Fruit Garden, Opposite St. Edmund's College
Main gate, Shillong – 793014, Meghalaya, India

Tel. No: 0364-2520023
Email: meghalayawrd@gmail.com

(In Rs 100/- Non-judicial stamp)

Draft Contract Agreement form for Construction through National Shopping

ARTICLES OF CONTRACT AGREEMENT

1. This deed of agreement is made in the form of agreement on _____ Day _____ month _____ 2020, between the Chief Engineer, Water Resources Department, Meghalaya Shillong or his authorized representative(hereinafter referred to as the first party) and Ganesh Laxmi Borewell resident of _____ (hereinafter referred to as the second party)to execute the work of construction of 02(two) nos. of Deep Ground Water Piezometers and 02 (two) nos. Shallow Ground Water Piezometers in different locations of East Jaintia Hills and West jaintia Hills Districts of Meghalaya on the following terms and conditions.

2. Contract Price

The total Contract Price for the works (hereinafter referred to as the "total price") including GST and other taxes is INR 22,43,550.00 (Rupees Twenty Two Lakh Forty Three Thousand Five Hundred Fifty) only as reflected in **Annexure 1**.

3. Payments under the contract

Payments to the second party for the construction work will be released by the first party as mentioned below:

On the second party submitting an Invoice supported by the monthly statement of estimated value of the work completed less the cumulative amount certified previously along with the details of quantity of works executed – given in the tabulated form approved by the Engineer; and on certification of the Invoice by the Engineer nominated by the first party with respect to quality and quantity of works in the format in **Annexure 2**.

The Engineer will complete the certification of payments within 15 days of the submission of the Invoice by the Second Party.

Payments shall be adjusted for deductions for retention, other recoveries in terms of the contract and taxes, at source, as applicable under the law. The Employer shall pay the Contractor the amounts certified by the Engineer within 28 days of the date of submission of the invoice by the Contractor.

If an amount certified is increased in a later certificate or as a result of an award by an Arbitrator, the Contractor shall not be paid any interest upon the delayed payment.

Items of the Works for which no rate or price has been entered in the Bill of Quantities will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract

The Employer shall retain (Retention Money) 6% of the amount from each payment due to the Contractor subject to the maximum of 5% of final contract price. Half of the amount retained shall be repaid upon completion of the works, and other half shall be repaid when the Defects Liability Period has passed and the Engineer has certified that all defects notified to the Contractor before the end of this period have been corrected. On completion of the whole works the Contractor may substitute the balance retention money with an "on demand" Bank guarantee.

4. Notice by Contractor to Engineer

The second party, before raising an invoice, issue a notice to the first party or the Engineer nominated by the first party (who is responsible for supervising the contractor, administering the contract, certifying the payments due to the contractor, issuing and valuing variations to the contract, awarding extensions of time etc.), to visit the site for certification of part/full completion. Within 15 days of the receipt of such notice, the first party or the engineer nominated by it, will ensure issue of stage completion certificate after due verification.

5. Completion time

The works should be completed in 6(Six) months from the date of signing of Agreement. In exceptional circumstances, the time period stated in this clause may be extended in writing by mutual consent of both the parties.

6. If any of the compensation events mentioned below would prevent the work being completed by the intended completion date, the first party will decide on the intended completion date being extended by a suitable period:

- (a) The first party does not give access to the site or a part thereof by the agreed period.
- (b) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.

- (c) Ground conditions are substantially more adverse than could reasonably have been assumed before issue of letter of acceptance and from information provided to second party or from visual inspection of the site.
- (d) Payments due to the second party are delayed without reason.
- (e) Certification for stage completion of the work is delayed unreasonably.

7. Any willful delay on the part of the second party in completing the construction within the stipulated period will render him liable to pay liquidated damages. @ **INR 1500 per day** which will be deducted from payments due to him. The first party may cancel the contract and take recourse to such other action as deemed appropriate once the total amount of liquidated damages exceeds 3 % of the contract amount.

8. Duties and responsibilities of the first party

The first party shall be responsible for providing regular and frequent supervision and guidance to the second party for carrying out the works as per specifications. This will include written guidelines and regular site visit of the authorized personnel of the first party, for checking quality of material and construction to ensure that it is as per the norms.

The first party shall supply 3 sets of drawings, specifications and guidelines to the second party for the proposed works.

Possession of the site will be handed over to the second party within 10 days of signing of the agreement.

The Engineer or such other person as may be authorized by the first party shall hold meeting once in a fortnight where the second party or his representative at site will submit the latest information including progress report and difficulties if any, in the execution of the work. The whole team may jointly inspect the site on a particular day to take stock of activities.

The Engineer shall record his observations/instructions at the time of his site visit in a site register maintained by the second party. The second party will carry out the instructions and promptly rectify any deviations pointed out by the engineer. If the deviations are not rectified, within the time specified in the Engineer's notice, the first party as well as the engineer nominated by it may instruct stoppage or suspension of the construction. It shall thereupon be open to the

first party or the engineer to have the deviations rectified at the cost of the second party.

9. Duties and responsibilities of the second party

The second party shall:

- (a) take up the works and arrange for its completion within the time period stipulated in Clause 5;
- (b) employ suitable skilled persons to carry out the works;
- (c) regularly supervise and monitor the progress of work;
- (d) abide by the technical suggestions/direction of supervisory personnel including engineers etc. regarding building construction;
- (e) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification;
- (f) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation;
- (g) keep the first party informed about the progress of work;
- (h) be responsible for all security and watch and ward arrangements at site till handing over of the building to the first party; and
- (i) maintain necessary insurance against loss of materials/cash, etc. or workman disability compensation claims of the personnel deployed on the works as well as third party claims.
- (j) pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction (TDS) from running bills in respect of such taxes as may be imposed under the law).
- (k) abide by all labour enactments and rules made there under, regulations, notifications and bye laws of the State or Central Government or local authority;
- (l) abide by all enactments on environmental protection and rules made there under, regulations, notifications and by-laws of the State or Central Government, or local authorities;
- (m) be responsible for the safety of all activities on the Site.

10. Variations / Extra Items

The works shall be carried out by the second party in accordance with the approved drawings and specifications. However, if, on account of site conditions or any other factors, variations are considered necessary, the following procedure shall be followed:

- (a) The second party shall provide the Engineer with a quotation for carrying out the Variation when requested to do so by the Engineer. The Engineer shall assess the quotation, which shall be given within seven days of the request before the Variation is ordered.
- (b) If the quotation given by the second party is unreasonable, the Engineer may order the Variation and make a change to the Contract Price which shall be based on Engineer's own forecast of the effects of the Variation on the Contractor's costs.
- (c) The second party shall not be entitled to additional payment for costs which could have been avoided by giving early warning.

11. Securities

The Performance Security (either a Bank Guarantee in the format attached or Fixed Deposit Receipt or Term Deposit Receipt from a Nationalized or Scheduled Bank in India) shall be provided to the Employer not later than the date specified in the Letter of Acceptance and shall be issued in an amount and form and by a bank or surety acceptable to the Employer. The Performance Security shall be valid until a date 45 days from the date of issue of Certificate on the satisfactory completion of the Period of Maintenance.

12. Termination

The Employer may terminate the Contract if the other party causes a fundamental breach of the Contract.

Fundamental breaches of Contract include, but shall not be limited to the following:

- (a) the contractor stops work for 28 days and the stoppage has not been authorized by the Engineer;
- (b) the Contractor has become bankrupt or goes into liquidation other than for a reconstruction or amalgamation;

- (c) the Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Engineer;
- (d) the Contractor does not maintain a security which is required;
- (e) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the Clause 7 of this agreement

Notwithstanding the above, the Employer may terminate the Contract for convenience.

If the Contract is terminated the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

13. Payment upon Termination

If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer shall issue a certificate for the value of the work done less advance payments received up to the date of the issue of the certificate, less other recoveries due in terms of the contract, less taxes due to be deducted at source as per applicable law.

If the Contract is terminated at the Employer's convenience, the Engineer shall issue a certificate for the value of the work done, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works and less advance payments received up to the date of the certificate, less other recoveries due in terms of the contract and less taxes due to be deducted at source as per applicable law.

14. Dispute settlement

If over the works, any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be referred for arbitration by a Sole Arbitrator not below the level of retired Superintending Engineer, PWD to be appointed by the first party. The Arbitration will be conducted in accordance with the Arbitration and

Conciliation Act, 1996. The decision of the Arbitrator shall be final and binding on both the parties. The Arbitrator shall give his award/decision within 60 days of start of proceedings.

15. Corrupt and Fraudulent Practices

The World Bank requires compliance with its policy in regard to corrupt and fraudulent practices as set forth in Para 1.16 of “Guidelines - Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank’s Borrowers, January 2011, Revised July 2014”. (**Appendix 1**). In further pursuance of this policy, Bidders shall permit and shall cause its agents (whether declared or not), sub-contractors, sub-consultants, service providers, or suppliers and any personnel thereof, to permit the Bank to inspect all accounts, records and other documents relating to any prequalification process, bid submission, and contract performance (in the case of award), and to have them audited by auditors appointed by the Bank.

The Priced Bill of Quantities (**Annexure 1**), Format of Certificate (**Annexure 2**) and Specification and Drawings (**Annexure 3**) are attached.

Signed and delivered by _____
for and on behalf of the Contractor
In the presence of the

Witness:

- i)
- ii)

SIGNATURE

Signed and delivered by _____
for and on behalf of the Chief Enigneer Water resources Department,
Meghalaya Shillong.

Witness:

- i)
- ii)

SIGNATURE