



**Consulting Services**

**Letter of Contract for Small Assignments by Individual Consultants**

**Subject:** (Name of Assignment)

(Name of Consultant)

We herewith confirm your consulting appointment to carry out the above-mentioned assignment specified in the attached Terms of Reference.

For administrative purposes (Name of responsible staff of Borrower) has been assigned to administer the assignment and to provide the Consultant with all relevant information needed to carry out the assignment. The services will be required in (Name of Project) for about \_\_\_\_\_ days/months, during the period from \_\_\_\_\_ to \_\_\_\_\_. These dates are estimates and (Name of Borrower) may find it necessary to postpone or cancel the assignment and/or shorten or extend its duration. However, every effort will be made to give you, as early as possible, notice of any such changes. In the event of termination, the (Name of Consultants) shall be paid for the services rendered for carrying out the assignment to the date of termination, and will provide the (Name of Borrower) with any reports or parts thereof, or any other information and documentation gathered under this Contract prior to the date of termination.

This Contract, its meaning and interpretation and the relations between the parties shall be governed by the laws of the Union of India.

Set out below are the terms and conditions under which you have agreed to carry out the assignment. The services to be performed, the estimated time to be spent, and the reports to be submitted will be in accordance with the attached Terms of Reference.

This Contract will become effective upon confirmation of this letter by you and will terminate on \_\_\_\_\_, or such other date as mutually agreed.

Payments for the services will not exceed an amount of \_\_\_\_\_.

You will be paid as follows, within 30 days of receipt of invoice a fee of:

**Amount**

**Currency**

..... upon receipt of a confirmed copy of this letter and submission of inception report.

..... upon receipt of the draft report.

..... upon receipt of the final report acceptable to (Name of Client)

The above fee includes all the costs related to carrying out the services, including overhead and any taxes.

You will be responsible for appropriate insurance coverage. In this regard, you shall maintain medical, travel, accident and third-party liability. You shall indemnify and hold harmless, the (Name of Client) against any and all claims, demands, and/or judgements of any nature brought against the (Name of Client) arising out of the services under this Contract. The obligation under this paragraph shall survive the termination of this Contract.

All materials produced or acquired under the terms of this Contract written, graphic, film, magnetic tape or otherwise shall remain the property of the (Name of Client). The (Name of Client) retains the exclusive right to publish or disseminate reports arising from such materials. The rights and duties provided for in this paragraph shall continue, notwithstanding the termination of this Contract or the execution of it's other provisions.

You will carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity, having due regard to the nature and purpose of the assignment, and will conduct yourself in a manner consistent herewith.

You will not assign this Contract or sub-contract or any portion of it without the Client's prior written consent.

You should agree that, during the term of this Contract and after its termination, you and any entity affiliated with you, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

You shall pay the taxes, duties fees, levies and other impositions levied under the Applicable law and the Client shall perform such duties, in regard to the deduction of such tax, as may be lawfully imposed.

You will also agree that all knowledge and information not within the public domain which may

be acquired during the carrying out of this Contract, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the (Name of Client) written permission.

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with Arbitration & Conciliation Act 1996.

Read and Agreed :

Place: (Signature & Name of Consultant)

Date:

(Signature & Name of Client's Representative)

Attachment: (i) Terms of Reference and Scope of Services; and (ii) Consultant's Reporting Obligations

## Consulting Services

### **Letter of Contract for Short Term Assignments of Individual Consultants**

**Subject:** (Name of Assignment)

(Name of Consultant)

We herewith confirm your consulting appointment to carry out the above-mentioned assignment specified in the attached Terms of Reference.

For administrative purposes (Name of responsible staff of Borrower) has been assigned to administer the assignment and to provide the Consultant with all relevant information needed to carry out the assignment. The services will be required in (Name of Project) for about \_\_\_\_\_ days/months, during the period from \_\_\_\_\_ to \_\_\_\_\_. These dates are estimates and (Name of Borrower) may find it necessary to postpone or cancel the assignment and/or shorten or extend its duration. However, every effort will be made to give you, as early as possible, notice of any such changes. In the event of termination, the (Name of Consultants) shall be paid for the services rendered for carrying out the assignment to the date of termination, and will provide the (Name of Borrower) with any reports or parts thereof, or any other information and documentation gathered under this Contract prior to the date of termination.

This Contract, its meaning and interpretation and the relations between the parties shall be governed by the law of union of India.

Set out below are the terms and conditions under which you have agreed to carry out the assignment for the (Name of Borrower). The services to be performed, the estimated time to be spent, and the reports to be submitted will be in accordance with the attached Terms of Reference.

This Contract will become effective upon confirmation of this letter by you and will terminate on \_\_\_\_\_, or such other date as mutually agreed.

Payments for the services will not exceed the total amount indicated in the attached cost estimate for the assignment.

You will be paid monthly as follows within 30 days' of receipt of invoice, a fee at the rate of (Currency, Amount) per working day [month] as follows :

Currency : \_\_\_\_\_ Rate : \_\_\_\_\_ Per : \_\_\_\_\_

The above fee will include all overhead and any taxes imposed. The Client will perform such duties, in regard to the deduction of such tax, as may be lawfully imposed.

In addition, the (Name of Client) will reimburse the cost of mobilization and demobilization in connection with this assignment. You will receive a per diem of (Currency, Amount) per calendar day spent in (Name of Country). The per diem which is given in the attached cost estimate, covers all the costs of lodging, meals, subsistence and travel incurred while undertaking the assignment.

You will be responsible for appropriate insurance coverage. In this regard, you shall maintain medical, travel, accident and third-party liability. You shall indemnify and hold harmless, the (Name of Client) against any and all claims, demands, and/or judgements of any nature brought against the (Name of Client) arising out of the services under this Contract. The obligation under this paragraph shall survive the termination of this Contract.

All materials produced or acquired under the terms of this Contract written, graphic, film, magnetic tape or otherwise shall remain the property of the (Name of Client). The (Name of Client) retains the exclusive right to publish or disseminate reports arising from such materials. The rights and duties provided for in this paragraph shall continue, notwithstanding the termination of this Contract or the execution of its other provisions.

You will carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity, having due regard to the nature and purpose of the assignment, and will conduct yourself in a manner consistent herewith.

You will not assign this Contract or sub-contract or any portion of it without the Client's prior written consent.

You should agree that, during the term of this Contract and after its termination, you and any entity affiliated with you, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

You will also agree that all knowledge and information not within the public domain which may be acquired during the carrying out of this Contract, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the (Client) written permission.

Any dispute arising out of the Contract, which cannot be amicably settled between the parties,

shall be referred to adjudication/arbitration in accordance with Arbitration & Conciliation Act 1996.

Read and Agreed

Signature & Name of Consultant

Place:

Date:

Signature & Name of Client's

Representative

**Attachments:**

- (i) Terms of Reference and Scope of Services
- (ii) Cost Estimate of Services, List of Personnel and Schedule of Rates

Cost Estimate of Services

**Remuneration**

| Consultant | Name | Daily (Monthly) Rate<br>(in currency) | Working Days<br>(Months) | Total Cost<br>(in currency) |
|------------|------|---------------------------------------|--------------------------|-----------------------------|
|------------|------|---------------------------------------|--------------------------|-----------------------------|

Sub-Total (Remuneration) \_\_\_\_\_

Out-of-Pocket Expenses:<sup>1</sup>

| a) Per Diem: <sup>2</sup> | Room<br><u>Cost</u> | Subsistence | Total | Days | _____ |
|---------------------------|---------------------|-------------|-------|------|-------|
|---------------------------|---------------------|-------------|-------|------|-------|

b) Air fare: \_\_\_\_\_

c) Lump Sum Miscellaneous Expenses:<sup>3</sup> \_\_\_\_\_

Sub-Total (Out-of-Pocket) \_\_\_\_\_

Contingency Charges:<sup>4</sup> \_\_\_\_\_

TOTAL MAXIMUM PAYMENT \_\_\_\_\_

Consultancy Service Tax \_\_\_\_\_

@ .....%

- 
- 1 Reimbursable at cost with supporting documents/receipts unless otherwise specified.
  - 2 Per Diem is fixed per calendar day and need not be supported by receipts.
  - 3 To include reporting costs, visa, inoculations, routine medical examination, minor surface transportation and communications expenses, portage fees, in-and-out expenses, airport taxes, and such other travel related expenses as may be necessary.
  - 4 Use of Contingency requires prior approval of the (Name of Borrower).

**LETTER OF ACCEPTANCE CUM NOTICE TO PROCEED WITH THE WORK**  
(ON LETTERHEAD OF THE EMPLOYER)

Dated: \_\_\_\_\_

[Name and address of the Contractor]

To: **PLACEHOLDERSupplierName**  
**PLACEHOLDERSupplierAddress**

Dear Sirs,

This is to notify you that your Quotation dated **PLACEHOLDERBidReceivedDate** for execution of the **PLACEHOLDERPackageName** for the contract price of Rupees **PLACEHOLDERContractValue** [amount in words and figures], is hereby accepted by us.



You are also requested to sign the agreement form and proceed with the work not later than **PLACEHOLDERWorkStartDate** under the instructions of the Engineer, \_\_\_\_\_ and ensure its completion within the contract period.

Yours faithfully,

Authorized Signature

Name and title of Signatory

**PURCHASE ORDER**

---

---

Reference No:

Date of Issue:

---

---

Subject:

---

---

Purchaser:

---

---

Supplier Name:

---

---

With reference to our correspondence, is pleased to award this detailed Purchase Order to for supply of items as per the details given below at a total cost of (<In words>):

---

---

Total price (without taxes) : Rs.

Total applicable taxes : %  
Total price (with taxes) : Rs.  
Total Octroi : Rs.

Delivery :

Testing/Installation  
Clause (if any) :

Training Clause (if any) :

Technical Specifications : As per Annexure - 1

Delivery Period : As specified for each item from date  
of issue of confirmed purchase order or as early as possible.

Warranty :

Payment Terms :

---

---

For

(Authorized Signatory)

Name & Designation

---

---

Accepted by

Signature

Date

Address

---

---

## Annexure I

### Draft Agreement form for Construction through National Shopping

#### ARTICLES OF AGREEMENT

This deed of agreement is made in the form of agreement on \_\_\_\_\_, between the \_\_\_\_\_ (Employer) or his authorized representative (hereinafter referred to as the first party) and \_\_\_\_\_ (Name of the Contractor), S/O \_\_\_\_\_ resident of \_\_\_\_\_ (hereinafter referred to as the second party), to execute the work of construction of \_\_\_\_\_ (hereinafter referred to as works) on the following terms and conditions.

#### 2. Cost of the Contract

The total cost of the works (hereinafter referred to as the "total cost") is Rs. \_\_\_\_\_ as reflected in Annexure - A.

#### 3.1 Payments under its contract:

Payments to the second party for the construction work will be released by the first party in the following manner:-

|  |   |                       |
|--|---|-----------------------|
| On signing of agreement                                | : | 25% of total cost     |
| On reaching plinth level (first stage)                 | : | 25% of the total cost |
| On reaching lintel level (second stage)                | : | 25% of the total cost |
| On reaching roof level (third stage)                   | : | 15% of the total cost |
| Plastering and completion of whole work (fourth stage) | : | 10% of the total cost |

***(The above has been drafted for construction of school buildings; modify this suitably for other works)***

#### 3.2 Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount ;
- (b) on certification of the invoice (except for the first installment) by the engineer nominated by the first party with respect to quality of works in the format in Annexure - B; and

- (c) upon proper and justified utilization of at least 50 % of the previous installment and 100 % of any prior installment.

#### **4. Notice by Contractor to Engineer**

The second party, on the works reaching each stage of construction, 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 stage 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 \_\_\_\_\_ (months/weeks/days) from the date of this 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. @ Rs. \* \_\_\_\_\_ 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 2 % of the contract amount.

**(Note : The amount of liquidated damages per day should be determined at 0.05 % of the contract value of the works and indicated here).**

#### **8. Duties and responsibilities of the first party**

**8.1** 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.

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

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

**8.4** The Engineer or such other person as may be authorized by the first party shall hold meeting once in a month 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.

**8.5** 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**

**9.1** 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.
- f) Pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law).

## **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 shall be provided to the Employer no 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 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee.

## **12. Termination**

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

12.2 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;

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

12.4 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**

13.1 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.

13.2 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.

**BILL OF QUANTITIES**

| Sl.<br>No. | Description of<br>Work | Qty. | Unit | Estimated Cost |          | Amount |
|------------|------------------------|------|------|----------------|----------|--------|
|            |                        |      |      | (Rs.)          |          |        |
|            |                        |      |      | In figure      | In Words |        |
|            |                        |      |      |                |          |        |



|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

**Gross Total Cost : Rs. ....**

We agree to execute the works in accordance with the approved drawings and technical specifications at ..... percentage above/ below the estimated rates, i.e., for a total contract price of Rs. ....(amount in figures) (Rs. .... amount in words).

**Signature of Contractor**

Invitation for Bids (IFB)

*[ insert: name of Country ]*

*[ insert: name of Project ]*

*[ insert: loan / credit number ]*

*[ insert: IFB Title ]*

*[ insert: IFB Number ]*

1. This Invitation for Bids follows the General Procurement Notice for this Project that appeared in *Development Business*, issue no. *[insert number]* of *[insert date]*.<sup>1</sup>

2. The *[insert name of Borrower]* *[has received/has applied for/intends to apply for]* a *[loan/credit]* from the *[International Bank for Reconstruction and Development/International Development Association]* toward the cost of *[insert name of Project]*, and it intends to apply part of the proceeds of this *[loan/credit]* to payments under the Contract for *[insert name/no. of Contract]*.<sup>2</sup>

3. The *[insert name of Implementing Agency]* now invites sealed bids from eligible and qualified bidders for *[insert brief description of the Goods to be procured]*.<sup>3, 4</sup>
4. Bidding will be conducted through the International Competitive Bidding (ICB) procedures specified in the World Bank's *Guidelines: Procurement under IBRD Loans and IDA Credits*, and is open to all bidders from Eligible Source Countries as defined in the Guidelines.<sup>5</sup>
5. Interested eligible bidders may obtain further information from *[insert name of Agency; insert name and e-mail of officer in charge]* and inspect the Bidding Documents at the address given below *[state address at end of this IFB]* from *[insert office hours]*.<sup>6</sup>
6. Qualifications requirements include: *[insert a list of technical, financial, legal and other requirements]*. A margin of preference for certain goods manufactured domestically *[insert "shall" or "shall not", as appropriate]* be applied. Additional details are provided in the Bidding Documents.
7. A complete set of Bidding Documents in *[insert name of language]* may be purchased by interested bidders on the submission of a written Application to the address below *[state address at the end of this ITB]* and upon payment of a non refundable fee<sup>7</sup> *[insert amount in local currency]* or in *[insert amount in specified convertible currency]*. The method of payment will be *[insert method of payment]*.<sup>8</sup> The Bidding Documents will be sent by *[insert delivery procedure]*.<sup>9</sup>
8. Bids must be delivered to the address below *[state address at the end of this ITB]* at or before *[insert time and date]*. Electronic bidding will *[will not]* be permitted. Late bids will be rejected. Bids will be opened in the presence of the bidders' representatives who choose to attend in person or on-line at the address below *[state address at end of this ITB]* at *[insert time and date]*. All bids must be accompanied by a *[insert "Bid Security" or "Bid-Securing Declaration," as appropriate]* of *[insert amount in local currency or minimum percentage of bid price in case of a Bid Security]* or an equivalent amount in a freely convertible currency.<sup>10, 11</sup>
9. The address(es) referred to above is(are): *[insert detailed address(es) including Name of the Implementing Agency, Office designation (room number), name of Officer, Street address, City (code), Country; insert electronic address if electronic bidding is permitted ]*.

**H**

**SUGGESTED FORMAT OF BID EVALUATION REPORT FOR  
GOODS & EQUIPMENT (ICB)**

1. Scope of contract and approximate cost:
  - Outline brief description of Goods and Services covered by the bid invitation.
  - Compare the project cost estimate with the actual cost of the proposed contract with explanation for difference.

2. Bidding document:

Briefly discuss and indicate:

- Details of approval by World Bank/Government
- Variations from the approved document, if any
- Specifications (Approval reference, if any)
- Requirement of accessories/spares, if any
- Delivery requirements
- Important bidding conditions such as:  
(Do not repeat the condition; briefly refer to them.)
  - \* price adjustment
  - \* loading for:
    - (a) delivery schedule
    - (b) payment schedule
    - (c) performance and productivity
    - (d) operating and maintenance costs
- domestic preference

[Enclose copy of bidding documents and amendments if any, if not sent earlier (Annex I)]

3. Bid invitation process:

Furnish the following details:

- Date of publication of General and Specific Procurement Notice in UN Development Business
- Bid invitation advertisement in national News papers and dates of publication

- Date of issue of bid invitation to embassies
- Period in which the bidding documents were made available for sale
- Number of firms who purchased the bidding documents and their nationality
- Date of closing and extensions, if any
- Pre-bid conference (date, place and attendance), minutes of meeting and resulting amendments, if any; and

- Date and time of public bid opening, attendance, highlights of the bid opening meeting etc.

[Enclose copies of Bid Invitation, Prebid minutes, copy of amendments issued and minutes of bid opening (Annexes II, III, IV and V).]

4. Bid response:

- State number of offers received and the nationality
- Furnish details of offers received along with comments on bidder's classification of bids :

| <u>Group</u> | <u>In Time</u> | <u>Late</u> | <u>Total</u> | <u>Comments</u> |
|--------------|----------------|-------------|--------------|-----------------|
| A            |                |             |              |                 |
| B            |                |             |              |                 |
| C            |                |             |              |                 |

Total :

*(Note: Group A & B Bidders should quote ex-factory, ex-showroom, ex-warehouse or*

*Off-the-Shelf as applicable and not as partly CIF covering imported components and partly on ex-factory covering local costs. Group C Bidder can quote vice versa)*

- Comment on the response (too few, expected number, more than expected, and reasons thereof)
- Convert bid prices to Indian Rupees  
(indicate exchange rates used and source — Annex VI)
- Furnish Table of bid prices as read out at bid opening (in ascending order):

| <u>Sl.No</u> | <u>Name of bidder</u> | <u>Nationality</u><br><u>as quoted</u> | <u>Bid price</u><br><u>in Rupees</u> | <u>Bid price</u> | <u>Remarks</u> |
|--------------|-----------------------|--|--------------------------------------|------------------|----------------|
|--------------|-----------------------|--|--------------------------------------|------------------|----------------|

and read out

5. Clarifications sought and responses received, if any, after bid opening:

6. Preliminary examination of bids:

- Discuss preliminary examination for eligibility (ITB Clause 2), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.

- List arithmetical errors and corrected bid prices

- List reservations if any of Group A bids to the note on deemed export benefits (Clause 11.2 of ITB) and discuss responsiveness of such offers.

- Furnish details of all bids in Annexure - VII.

- List the bids rejected as non-responsive at this stage.

| <u>Sl. No.</u> | <u>Name of bidder</u> | <u>Bid price</u> | <u>Brief reasons</u> |
|----------------|-----------------------|------------------|----------------------|
|----------------|-----------------------|------------------|----------------------|

7. Evaluation of substantially responsive bids:

- State evaluation criteria, methodology cross referencing to bid documents, assumptions, if any, made in evaluation (Annex VIII).

- Discuss briefly offers and adjustments, if any:

- Commercial aspects:

- omissions

- inland transportation

- delivery schedule
  - deviation in payment schedule
  - spare parts
  - operation and maintenance
  - performance and productivity etc.
- Technical aspects:
    - efficiency
    - productivity
    - training etc.
- Prepare evaluation table showing all adjustments and ranking as under:

| <u>Group<br/>Evaluated For</u> | <u>Rank</u> | <u>Name of bidder/<br/>destination price<br/>in Rupees</u> |  |
|--------------------------------|-------------|--|--|
|                                |             | <u>Manufacturer/Agent</u>                                  |  |
| A                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |
| B                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |
| C                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |

(Details in Annex IX)

- Brief discussion of offers:
  - Group A
  - Group B
  - Group C
- Determination of the lowest evaluated responsive bidder from Groups A and B.
- Discuss application of domestic preference with justification of domestic bids' eligibility for preference and the level of prevailing import duties on the goods.
- Determination of the lowest evaluated responsive bid from Groups A, B and C for award by taking into account domestic preference.

8. Post qualification:

- State criteria, if any, outlined in the bid document.
- Discuss actual qualification of selected bidder to demonstrate whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for a similar determination of bidder's capability to perform satisfactorily.)

(Details in Annex X)

9. Recommendations:

- Furnish important features of recommended bid such as:
  - Bidders name
  - Model, quantity and total bid price for:
    - basic machine
    - list of tools
    - list of special accessories
    - list of 2 years maintenance spares



Total: \_\_\_\_\_ (in currency of bid)

- Source of origin
- Payment terms
- Agency commission
- Delivery
- Inspection
- Insurance
- Freight
- Performance security
- Specifications
- Other important terms and conditions
- Date of expiry of validity of the selected bid.

(Enclose contract information sheet of selected bidder, Annex XI)

Signature of Evaluating officer

Approval of competent Authority

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes (Annex III)
4. Copies of amendments issued (Annex IV)
5. Minutes of bid opening (Annex V)
6. Currency exchange rate as published by competent authority (Annex VI)
7. Details of assessment of bids (Annex VII)
8. Assumptions made in evaluation (Annex VIII)
9. Evaluated bid prices of offers (Annex IX)
10. Details of post-qualification (Annex X)
11. Contract information of selected bidder (Annex XI)

**Assessment of Bids**

| Sl. No. | Particulars                  | Name of Bidder<br>1 | Name of Bidder<br>2 | Name of Bidder<br>3 | Name of Bidder<br>4 | Name of Bidder<br>5 |
|---------|------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|         |                              | .....<br>.          | .....<br>.          | .....<br>.          | .....<br>.          | .....               |
| 1.      | Manufactured by              |                     |                     |                     |                     |                     |
| 2.      | Country of Origin            |                     |                     |                     |                     |                     |
| 3.      | Indian Agent                 |                     |                     |                     |                     |                     |
| 4.      | Classification               |                     |                     |                     |                     |                     |
|         | (Group A / B / C)            |                     |                     |                     |                     |                     |
| 5.      | Model Offered                |                     |                     |                     |                     |                     |
| 6.      | Model Number                 |                     |                     |                     |                     |                     |
| 7.      | Total Bid Price and Currency |                     |                     |                     |                     |                     |
| 8.      | FOB Value / Ex-Works         |                     |                     |                     |                     |                     |
|         | Currency                     |                     |                     |                     |                     |                     |

|     |  |                     |  |  |  |  |
|-----|--|---------------------|--|--|--|--|
|     |  |                     |  |  |  |  |
| 9.  | CIF Value in bid currency (foreign) and in         | In Foreign Currency |  |  |  |  |
|     | Indian rupees                                      | In Indian Rupees    |  |  |  |  |
| 10. | Cost per unit as per Bid Document in Indian Rupees |                     |  |  |  |  |
| 11. | Credentials<br>-----<br>Letter of Authorisation    |                     |  |  |  |  |
| 12. | Commercial Assessment*                             |                     |  |  |  |  |
| 13. | Technical Assessment*                              |                     |  |  |  |  |

|     |                            |  |  |  |  |  |
|-----|----------------------------|--|--|--|--|--|
|     |                            |  |  |  |  |  |
| 14. | Decision on Responsiveness |  |  |  |  |  |

\* For details see attachment.

**EVALUATION OF THE BIDS**

Commercial Analysis for Responsiveness of Bid:

| Sl. No. | Particulars and Clause Reference | Name of Bidder 1<br>..... | Name of Bidder 2<br>..... | Name of Bidder 3<br>..... |
|---------|----------------------------------|---------------------------|---------------------------|---------------------------|
| 1.      | Model Offered                    |                           |                           |                           |
| 2.      | Model No.                        |                           |                           |                           |
| 3.      | Manufd. By                       |                           |                           |                           |
| 4.      | Country of Origin                | ITB   2                   |                           |                           |
| 5.      | Bid Security                     | ITB   15                  |                           |                           |
|         | 5.1 Form of Bid Security         |                           |                           |                           |
|         | 5.2 Bank and                     |                           |                           |                           |

|        |
|--------|
| Branch |
|--------|

|                 |  |  |  |  |  |
|-----------------|--|--|--|--|--|
| 5.3 Expiry Date |  |  |  |  |  |
|-----------------|--|--|--|--|--|

|            |  |  |  |  |  |
|------------|--|--|--|--|--|
| 5.4 Amount |  |  |  |  |  |
|------------|--|--|--|--|--|

|                    |     |    |  |  |  |
|--------------------|-----|----|--|--|--|
| 6. Validity of Bid | ITB | 16 |  |  |  |
|--------------------|-----|----|--|--|--|

|                            |     |         |  |  |  |
|----------------------------|-----|---------|--|--|--|
| 7. Letter of Authorisation | ITB | 13.3(a) |  |  |  |
|----------------------------|-----|---------|--|--|--|

|             |     |     |  |  |  |
|-------------|-----|-----|--|--|--|
| 8. Bid Form | ITB | 9.1 |  |  |  |
|-------------|-----|-----|--|--|--|

|                   |  |  |  |  |  |
|-------------------|--|--|--|--|--|
| 9. Exceptions to: |  |  |  |  |  |
|-------------------|--|--|--|--|--|

|           |     |         |  |  |  |
|-----------|-----|---------|--|--|--|
| Delivery; | ITB | 26.5(b) |  |  |  |
|-----------|-----|---------|--|--|--|

|                    |     |         |  |  |  |
|--------------------|-----|---------|--|--|--|
| Payment Terms; and | ITB | 26.5(c) |  |  |  |
|--------------------|-----|---------|--|--|--|

|        |  |  |  |  |  |
|--------|--|--|--|--|--|
| Others |  |  |  |  |  |
|--------|--|--|--|--|--|

|                  |     |    |  |  |  |
|------------------|-----|----|--|--|--|
| 10. Bid Currency | ITB | 12 |  |  |  |
|------------------|-----|----|--|--|--|

|                 |     |         |  |  |  |
|-----------------|-----|---------|--|--|--|
| 11. Performance | ITB | 13.3(b) |  |  |  |
|-----------------|-----|---------|--|--|--|

Statement

|  |
|--|
|  |
|--|

**Annex VII/3**

| <u>Sl. No.</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder 1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|----------------|---|----------------------------------|----------------------------------|----------------------------------|
|----------------|---|----------------------------------|----------------------------------|----------------------------------|

|     |                                       |  |  |  |
|-----|---------------------------------------|--|--|--|
| 12. | Decision on Commercial Responsiveness |  |  |  |
|-----|---------------------------------------|--|--|--|

*Note: Add parameters as required to suit the item under procurement and as specified in your bidding document.*



Technical Evaluation of the Bids :

| <u>Sl. No.</u> | <u>Particulars</u> | <u>Technical Clause Reference</u> | <u>Name of Bidder</u><br>1<br>..... | <u>Name of Bidder</u><br>2<br>..... | <u>Name of Bidder</u><br>3<br>..... |
|----------------|--------------------|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 1.             | Model No           |                                   |                                     |                                     |                                     |
| 2.             | Mfd. By            |                                   |                                     |                                     |                                     |
| 3.             | Model Type         |                                   |                                     |                                     |                                     |
| 4.             |                    |                                   |                                     |                                     |                                     |
| 5.             |                    |                                   |                                     |                                     |                                     |
| 6.             |                    |                                   |                                     |                                     |                                     |
| 7.             |                    |                                   |                                     |                                     |                                     |
| 8.             |                    |                                   |                                     |                                     |                                     |
| 9.             |                    |                                   |                                     |                                     |                                     |
| 10.            |                    |                                   |                                     |                                     |                                     |
| 11.            |                    |                                   |                                     |                                     |                                     |

|     |  |  |  |  |  |
|-----|--|--|--|--|--|
| 12. |  |  |  |  |  |
| 13. |  |  |  |  |  |
| 14. | Decision on<br>Technical<br>Responsiveness |  |  |  |  |

1. *List the mandatory and optional features which are checked and compared as detailed in your technical specifications to determine on conformity to technical specifications.*
2. *This should also cover all deviations listed by bidder in response to Clause 14.3 (c) of ITB.*

**Brief details of Assumptions made in Evaluation**

a)

b)

c)

d)

**Comparative Statement of Responsive Offers**

| Items   | Price         |               |               |
|---|---------------|---------------|---------------|
|   | Bidder's Name | Bidder's Name | Bidder's Name |
|   |               |               |               |
| (Groups A and B separately)   |               |               |               |
|   |               |               |               |
| Cost per unit (in Rs.)  |               |               |               |
|   |               |               |               |
| 1. <u>Ex-factory/ ex-showroom/ ex-warehouse or Off-the-Shelf prices</u> |               |               |               |
| 2. <u>Excise duty (if quoted separately)</u>                            |               |               |               |
| 3. <u>Packing &amp; forwarding charges</u>                              |               |               |               |
| 4. <u>Inland freight</u>  |               |               |               |
| 5. <u>Insurance</u>   |               |               |               |
| 6. <u>Other charges, if any</u>   |               |               |               |

|     |                                    |  |  |
|-----|------------------------------------|--|--|
|     |                                    |  |  |
|     | <b>TOTAL</b>                       |  |  |
| 7.  | Discounts, if any                  |  |  |
| 8.  | Total unit cost as quoted          |  |  |
| 9.  | No. to be supplied                 |  |  |
| 10. | Total cost as quoted               |  |  |
| 11. | Delivery period offered            |  |  |
| 12. | Delivery period loading            |  |  |
| 13. | Payment terms loading              |  |  |
| 14. | Other loadings                     |  |  |
| 15. | Total evaluated price with loading |  |  |
| 16. | Ranking                            |  |  |



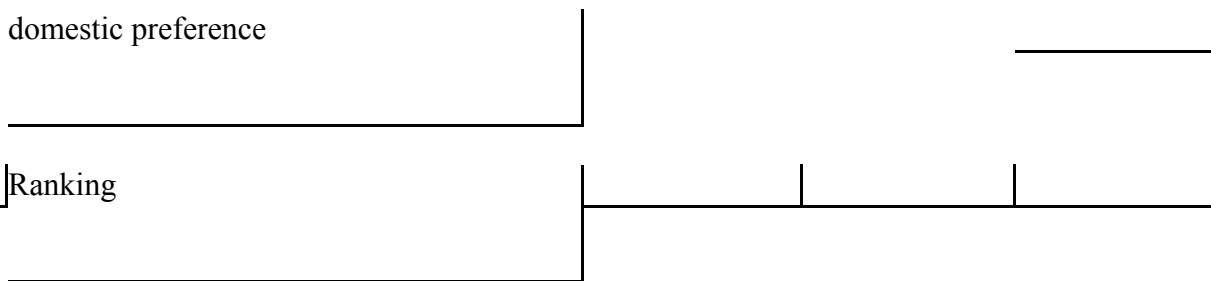
| Items  | Price Converted to Indian Rupees |                              |                              |
|--|----------------------------------|------------------------------|------------------------------|
|  | Bidder's Name<br>and Country     | Bidder's Name<br>and Country | Bidder's Name<br>and Country |
| <u>Group C</u>   |                                  |                              |                              |
| Cost per unit (in Rs.)   |                                  |                              |                              |
| 1. a) CIF including agency commission as<br>quoted per machine |                                  |                              |                              |
| i)   |                                  |                              |                              |
| b) Ex-factory price (for items supplied<br>locally from India) |                                  |                              |                              |
| 2. Port clearance & incidentals                                |                                  |                              |                              |
| 3. Inland Freight  |                                  |                              |                              |
| 4. LC charges, if any  |                                  |                              |                              |
| 5. Other charges per unit, if any                              |                                  |                              |                              |
| <b>TOTAL</b>   |                                  |                              |                              |

|     |   |  |  |
|-----|---|--|--|
|     |   |  |  |
| 6.  | Discounts, if any   |  |  |
| 7.  | Total unit cost   |  |  |
| 8.  | No. to be supplied  |  |  |
| 9.  | Total cost  |  |  |
| 10. | Delivery period offered   |  |  |
| 11. | Delivery period loading   |  |  |
| 12. | Payment term loading  |  |  |
| 13. | Other loadings  |  |  |
| 14. | Total evaluated price with loading  |  |  |
| 15. | Loading for domestic preference [The amount of customs duty and other import taxes as applicable or 15% of 1 (a) above, whichever is lower] |  |  |
| 16. | Total evaluated price after loading for   |  |  |



domestic preference

17. Ranking



**Post Qualification**

| <u>Criteria as specified in the bidding document*</u> |  | <u>Bidder 1</u> | <u>Bidder 2</u> | <u>Bidder 3</u> |
|---|--|-----------------|-----------------|-----------------|
| 1.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 2.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 3.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 4.  |  |                 |                 |                 |
|   |  |                 |                 |                 |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Note: 1(\*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

*2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.*

**Details of Recommended Offer**

Name of Bidder \_\_\_\_\_

| Sl. No. | Name of Item                           | Specification or Part No. | Unit | Qty. | Rate | Value* |
|---------|--|---------------------------|------|------|------|--------|
| 1.      | Basic item                             |                           |      |      |      |        |
| 2.      | List of Tools                          |                           |      |      |      |        |
| 3.      | List of special accessories and spares |                           |      |      |      |        |
|         | List of spares for 2- year             |                           |      |      |      |        |

|    |                    |  |  |  |  |  |
|----|--------------------|--|--|--|--|--|
| 4. | maintenance        |  |  |  |  |  |
|    |                    |  |  |  |  |  |
| 5. |                    |  |  |  |  |  |
|    |                    |  |  |  |  |  |
|    | <b>Total Cost*</b> |  |  |  |  |  |
|    |                    |  |  |  |  |  |

\* All values in Bid Currency

NR/MC/sp April 4, 2000

m:\pdata\sbd\fb&ch\forms\h.doc

Section IX. Contract Forms

## Table of Forms

[1. Contract Agreement](#) 96

[2. Performance Security](#) 98

[3. Bank Guarantee for Advance Payment](#) 99

## 1. Contract Agreement

*[The successful Bidder shall fill in this form in accordance with the instructions indicated]*

THIS CONTRACT AGREEMENT is made

the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

BETWEEN

(1) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of .... of the Government of {insert name of Country of Purchaser}, or corporation incorporated under the laws of {insert name of Country of Purchaser}]* and having its principal place of business at *[insert address of Purchaser]* (hereinafter called “the Purchaser”), and

(2) *[insert name of Supplier]*, a corporation incorporated under the laws of *[insert: country of Supplier]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called “the Supplier”).

WHEREAS the Purchaser invited bids for certain Goods and ancillary services, viz., *[insert brief description of Goods and Services]* and has accepted a Bid by the Supplier for the supply of those Goods and Services in the sum of *[insert Contract Price in words and figures, expressed in the Contract currency(ies)]* (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:
  - (a) This Contract Agreement
  - (b) Special Conditions of Contract
  - (c) General Conditions of Contract
  - (d) Technical Requirements (including Schedule of Requirements and Technical Specifications)
  - (e) The Supplier’s Bid and original Price Schedules
  - (f) The Purchaser’s Notification of Award
  - (g) *[Add here any other document(s)]*
3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.
4. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services

and to remedy defects therein in conformity in all respects with the provisions of the Contract.

5. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of *[insert the name of the Contract governing law country]* on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed: *[insert signature]*

in the capacity of *[ insert title or other appropriate designation ]*

in the presence of *[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*

in the capacity of *[ insert title or other appropriate designation ]*

in the presence of *[ insert identification of official witness]*

## 2. Performance Security

*[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]*

Date: *[insert date (as day, month, and year) of Bid Submission]*

ICB No. and title: *[insert no. and title of bidding process]*

Bank's Branch or Office: *[insert complete name of Guarantor]*

**Beneficiary:** *[insert complete name of Purchaser]*

**PERFORMANCE GUARANTEE No.:** *[insert Performance Guarantee number]*

We have been informed that *[insert complete name of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with you, for the supply of *[description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a Performance Guarantee is required.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert amount(s<sup>[1]</sup>) in figures and words]* upon receipt by us of your first demand in writing declaring the Supplier to be in default under the Contract, without cavil or argument, or your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*,<sup>[2]</sup> and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

*[signatures of authorized representatives of the bank and the Supplier]*



### 3. Bank Guarantee for Advance Payment

*[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated.]*

Date: *[insert date (as day, month, and year) of Bid Submission]*

ICB No. and title: *[insert number and title of bidding process]*

*[bank's letterhead]*

**Beneficiary:** *[insert legal name and address of Purchaser]*

**ADVANCE PAYMENT GUARANTEE No.:** *[insert Advance Payment Guarantee no.]*

We, *[insert legal name and address of bank]*, have been informed that *[insert complete name and address of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert date of Agreement]* with you, for the supply of *[insert types of Goods to be delivered]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance is to be made against an advance payment guarantee.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount(s)]*<sup>[3]</sup> *in figures and words* upon receipt by us of your first demand in writing declaring that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than toward delivery of the Goods.

It is a condition for any claim and payment under this Guarantee to be made that the advance payment referred to above must have been received by the Supplier on its account *[insert number and domicile of the account]*

This Guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[insert date]*<sup>[4]</sup>.

This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

\_\_\_\_\_  
*[signature(s) of authorized representative(s) of the bank]*

#### **Notification of Award**

(letterhead paper of the Purchaser)

\_\_\_\_\_ [date]

To: \_\_\_\_\_ [name  
and address of the Contractor]

Dear Sir,

This is to notify you that your Bid dated \_\_\_\_\_ for supply of the \_\_\_\_\_ [name of the contract and identification number, as given in the Instructions to Bidders] for the Contract Price of Rupees \_\_\_\_\_ (\_\_\_\_\_) [amount in words and figures], as corrected and modified in accordance with the Instructions to Bidders<sup>1</sup> is hereby accepted by our Organisation.

We accept/do not accept that \_\_\_\_\_ be appointed as the Adjudicator<sup>2</sup>.

We note that as per bid, you do not intend to subcontract any component of the Contract.

[OR]

We note that as per bid, you propose to employ M/s. .... as sub-contractor for supplying .....

*[Delete whichever is not applicable]*

You are hereby requested to furnish Performance Security, in the form detailed in Para 35.1 of ITB for an amount of Rs.----- within 21 days of the receipt of this letter of acceptance valid upto 28 days from the date of expiry of Warranty Period i.e. upto ..... and sign the contract, failing which action as stated in Para 35.2 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and Title of Signatory

Name of Agency

<sup>1</sup> Delete "corrected and" or "and modified" if only one of these actions applies. Delete "as corrected and modified in accordance with the Instructions to Bidders" if corrections or modifications have not been effected.

<sup>2</sup> To be used only if the Contractor disagrees in his Bid with the Adjudicator proposed by the Employer in the "Instructions to Bidders."

**PURCHASE ORDER**

---

---

Reference No:

Date of Issue:

---

---

Subject:

---

---

Purchaser:

---

---

Supplier Name:

---

---

With reference to our correspondence, is pleased to award this detailed Purchase Order to for supply of items as per the details given below at a total cost of (<In words>):

---

---

Total price (without taxes) : Rs.  
Total applicable taxes : %  
Total price (with taxes) : Rs.  
Total Octroi : Rs.

Delivery :

Testing/Installation  
Clause (if any) :

Training Clause (if any) :

Technical Specifications : As per Annexure - 1

Delivery Period : As specified for each item from date  
of issue of confirmed purchase order or as early as possible.

Warranty :

Payment Terms :

---

---

For

(Authorized Signatory)

Name & Designation

---

---

Accepted by

Signature

Date

Address

---

---

## **Annexure I**

**H**

### **SUGGESTED FORMAT OF BID EVALUATION REPORT FOR GOODS & EQUIPMENT (ICB)**

1. Scope of contract and approximate cost:
  - Outline brief description of Goods and Services covered by the bid invitation.
  - Compare the project cost estimate with the actual cost of the proposed contract with explanation for difference.
  
2. Bidding document:

Briefly discuss and indicate:

- Details of approval by World Bank/Government
- Variations from the approved document, if any
- Specifications (Approval reference, if any)
- Requirement of accessories/spares, if any
- Delivery requirements
- Important bidding conditions such as:  
(Do not repeat the condition; briefly refer to them.)
  - \* price adjustment
  - \* loading for:
    - (a) delivery schedule
    - (b) payment schedule
    - (c) performance and productivity
    - (d) operating and maintenance costs
- domestic preference

[Enclose copy of bidding documents and amendments if any, if not sent earlier (Annex I)]

3. Bid invitation process:

Furnish the following details:

- Date of publication of General and Specific Procurement Notice in UN Development Business
- Bid invitation advertisement in national News papers and dates of publication
- Date of issue of bid invitation to embassies

- Period in which the bidding documents were made available for sale
- Number of firms who purchased the bidding documents and their nationality
- Date of closing and extensions, if any
- Pre-bid conference (date, place and attendance), minutes of meeting and resulting amendments, if any; and

- Date and time of public bid opening, attendance, highlights of the bid opening meeting etc.

[Enclose copies of Bid Invitation, Prebid minutes, copy of amendments issued and minutes of bid opening (Annexes II, III, IV and V).]

4. Bid response:

- State number of offers received and the nationality
- Furnish details of offers received along with comments on bidder's classification of bids :

| <u>Group</u> | <u>In Time</u> | <u>Late</u> | <u>Total</u> | <u>Comments</u> |
|--------------|----------------|-------------|--------------|-----------------|
| A            |                |             |              |                 |
| B            |                |             |              |                 |
| C            |                |             |              |                 |

Total :

*(Note: Group A & B Bidders should quote ex-factory, ex-showroom, ex-warehouse or*

*Off-the-Shelf as applicable and not as partly CIF covering imported components and partly on ex-factory covering local costs. Group C Bidder can quote vice versa)*

- Comment on the response (too few, expected number, more than expected, and reasons thereof)
- Convert bid prices to Indian Rupees  
(indicate exchange rates used and source — Annex VI)
- Furnish Table of bid prices as read out at bid opening (in ascending order):

| <u>Sl.No</u> | <u>Name of bidder</u> | <u>Nationality</u><br><u>as quoted</u> | <u>Bid price</u><br><u>in Rupees</u> | <u>Bid price</u> | <u>Remarks</u> |
|--------------|-----------------------|--|--------------------------------------|------------------|----------------|
|--------------|-----------------------|--|--------------------------------------|------------------|----------------|

and read out

5. Clarifications sought and responses received, if any, after bid opening:

6. Preliminary examination of bids:

- Discuss preliminary examination for eligibility (ITB Clause 2), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.

- List arithmetical errors and corrected bid prices

- List reservations if any of Group A bids to the note on deemed export benefits (Clause 11.2 of ITB) and discuss responsiveness of such offers.

- Furnish details of all bids in Annexure - VII.

- List the bids rejected as non-responsive at this stage.

| <u>Sl. No.</u> | <u>Name of bidder</u> | <u>Bid price</u> | <u>Brief reasons</u> |
|----------------|-----------------------|------------------|----------------------|
|----------------|-----------------------|------------------|----------------------|

7. Evaluation of substantially responsive bids:

- State evaluation criteria, methodology cross referencing to bid documents, assumptions, if any, made in evaluation (Annex VIII).

- Discuss briefly offers and adjustments, if any:

- Commercial aspects:

- omissions

- inland transportation



- delivery schedule
  - deviation in payment schedule
  - spare parts
  - operation and maintenance
  - performance and productivity etc.
- Technical aspects:
    - efficiency
    - productivity
    - training etc.
- Prepare evaluation table showing all adjustments and ranking as under:

| <u>Group<br/>Evaluated For</u> | <u>Rank</u> | <u>Name of bidder/<br/>destination price<br/>in Rupees</u> |  |
|--------------------------------|-------------|--|--|
|                                |             | <u>Manufacturer/Agent</u>                                  | <u>destination price<br/>in Rupees</u> |
| A                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |
| B                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |
| C                              | 1           |  |  |
|                                | 2           |  |  |
|                                | 3           |  |  |

(Details in Annex IX)

- Brief discussion of offers:
  - Group A
  - Group B
  - Group C
- Determination of the lowest evaluated responsive bidder from Groups A and B.
- Discuss application of domestic preference with justification of domestic bids' eligibility for preference and the level of prevailing import duties on the goods.
- Determination of the lowest evaluated responsive bid from Groups A, B and C for award by taking into account domestic preference.

8. Post qualification:

- State criteria, if any, outlined in the bid document.
- Discuss actual qualification of selected bidder to demonstrate whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for a similar determination of bidder's capability to perform satisfactorily.)

(Details in Annex X)

9. Recommendations:

- Furnish important features of recommended bid such as:
  - Bidders name
  - Model, quantity and total bid price for:
    - basic machine
    - list of tools
    - list of special accessories
    - list of 2 years maintenance spares

Total: \_\_\_\_\_ (in currency of bid)

- Source of origin
- Payment terms
- Agency commission
- Delivery
- Inspection
- Insurance
- Freight
- Performance security
- Specifications
- Other important terms and conditions
- Date of expiry of validity of the selected bid.

(Enclose contract information sheet of selected bidder, Annex XI)

Signature of Evaluating officer

Approval of competent Authority

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes (Annex III)
4. Copies of amendments issued (Annex IV)
5. Minutes of bid opening (Annex V)
6. Currency exchange rate as published by competent authority (Annex VI)
7. Details of assessment of bids (Annex VII)
8. Assumptions made in evaluation (Annex VIII)
9. Evaluated bid prices of offers (Annex IX)
10. Details of post-qualification (Annex X)
11. Contract information of selected bidder (Annex XI)

**Assessment of Bids**

| Sl. No. | Particulars                             | Name of Bidder<br>1 | Name of Bidder<br>2 | Name of Bidder<br>3 | Name of Bidder<br>4 | Name of Bidder<br>5 |
|---------|---|---------------------|---------------------|---------------------|---------------------|---------------------|
|         |   | .....<br>.          | .....<br>.          | .....<br>.          | .....<br>.          | .....<br>.          |
| 1.      | Manufactured by                         |                     |                     |                     |                     |                     |
| 2.      | Country of Origin                       |                     |                     |                     |                     |                     |
| 3.      | Indian Agent                            |                     |                     |                     |                     |                     |
| 4.      | Classification<br><br>(Group A / B / C) |                     |                     |                     |                     |                     |
| 5.      | Model Offered                           |                     |                     |                     |                     |                     |
| 6.      | Model Number                            |                     |                     |                     |                     |                     |
| 7.      | Total Bid Price and Currency            |                     |                     |                     |                     |                     |
| 8.      | FOB Value / Ex-Works<br>Currency        |                     |                     |                     |                     |                     |

|     |  |                     |  |  |  |  |
|-----|--|---------------------|--|--|--|--|
|     |  |                     |  |  |  |  |
| 9.  | CIF Value in bid currency (foreign) and in         | In Foreign Currency |  |  |  |  |
|     | Indian rupees                                      | In Indian Rupees    |  |  |  |  |
| 10. | Cost per unit as per Bid Document in Indian Rupees |                     |  |  |  |  |
| 11. | Credentials<br>-----<br>Letter of Authorisation    |                     |  |  |  |  |
| 12. | Commercial Assessment*                             |                     |  |  |  |  |
| 13. | Technical Assessment*                              |                     |  |  |  |  |

|     |                            |  |  |  |  |  |
|-----|----------------------------|--|--|--|--|--|
|     |                            |  |  |  |  |  |
| 14. | Decision on Responsiveness |  |  |  |  |  |

\* For details see attachment.

**EVALUATION OF THE BIDS**

Commercial Analysis for Responsiveness of Bid:

| Sl. No. | Particulars and Clause Reference | Name of Bidder 1<br>..... | Name of Bidder 2<br>..... | Name of Bidder 3<br>..... |
|---------|----------------------------------|---------------------------|---------------------------|---------------------------|
| 1.      | Model Offered                    |                           |                           |                           |
| 2.      | Model No.                        |                           |                           |                           |
| 3.      | Manufd. By                       |                           |                           |                           |
| 4.      | Country of Origin                | ITB   2                   |                           |                           |
| 5.      | Bid Security                     | ITB   15                  |                           |                           |
|         | 5.1 Form of Bid Security         |                           |                           |                           |
|         | 5.2 Bank and                     |                           |                           |                           |



|        |
|--------|
| Branch |
|--------|

|                 |  |  |  |  |  |
|-----------------|--|--|--|--|--|
| 5.3 Expiry Date |  |  |  |  |  |
|-----------------|--|--|--|--|--|

|            |  |  |  |  |  |
|------------|--|--|--|--|--|
| 5.4 Amount |  |  |  |  |  |
|------------|--|--|--|--|--|

|                    |     |    |  |  |  |
|--------------------|-----|----|--|--|--|
| 6. Validity of Bid | ITB | 16 |  |  |  |
|--------------------|-----|----|--|--|--|

|                            |     |         |  |  |  |
|----------------------------|-----|---------|--|--|--|
| 7. Letter of Authorisation | ITB | 13.3(a) |  |  |  |
|----------------------------|-----|---------|--|--|--|

|             |     |     |  |  |  |
|-------------|-----|-----|--|--|--|
| 8. Bid Form | ITB | 9.1 |  |  |  |
|-------------|-----|-----|--|--|--|

|                   |  |  |  |  |  |
|-------------------|--|--|--|--|--|
| 9. Exceptions to: |  |  |  |  |  |
|-------------------|--|--|--|--|--|

|           |     |         |  |  |  |
|-----------|-----|---------|--|--|--|
| Delivery; | ITB | 26.5(b) |  |  |  |
|-----------|-----|---------|--|--|--|

|                    |     |         |  |  |  |
|--------------------|-----|---------|--|--|--|
| Payment Terms; and | ITB | 26.5(c) |  |  |  |
|--------------------|-----|---------|--|--|--|

|        |  |  |  |  |  |
|--------|--|--|--|--|--|
| Others |  |  |  |  |  |
|--------|--|--|--|--|--|

|                  |     |    |  |  |  |
|------------------|-----|----|--|--|--|
| 10. Bid Currency | ITB | 12 |  |  |  |
|------------------|-----|----|--|--|--|

|                 |     |         |  |  |  |
|-----------------|-----|---------|--|--|--|
| 11. Performance | ITB | 13.3(b) |  |  |  |
|-----------------|-----|---------|--|--|--|

Statement

|  |
|--|
|  |
|--|

**Annex VII/3**

| <u>Sl. No.</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder 1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|----------------|---|----------------------------------|----------------------------------|----------------------------------|
|----------------|---|----------------------------------|----------------------------------|----------------------------------|

|     |                                       |  |  |  |
|-----|---------------------------------------|--|--|--|
| 12. | Decision on Commercial Responsiveness |  |  |  |
|-----|---------------------------------------|--|--|--|

*Note: Add parameters as required to suit the item under procurement and as specified in your bidding document.*

Technical Evaluation of the Bids :

| <u>Sl. No.</u> | <u>Particulars</u> | <u>Technical Clause Reference</u> | <u>Name of Bidder</u><br>1<br>..... | <u>Name of Bidder</u><br>2<br>..... | <u>Name of Bidder</u><br>3<br>..... |
|----------------|--------------------|-----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| 1.             | Model No           |                                   |                                     |                                     |                                     |
| 2.             | Mfd. By            |                                   |                                     |                                     |                                     |
| 3.             | Model Type         |                                   |                                     |                                     |                                     |
| 4.             |                    |                                   |                                     |                                     |                                     |
| 5.             |                    |                                   |                                     |                                     |                                     |
| 6.             |                    |                                   |                                     |                                     |                                     |
| 7.             |                    |                                   |                                     |                                     |                                     |
| 8.             |                    |                                   |                                     |                                     |                                     |
| 9.             |                    |                                   |                                     |                                     |                                     |
| 10.            |                    |                                   |                                     |                                     |                                     |
| 11.            |                    |                                   |                                     |                                     |                                     |

|     |  |  |  |  |  |
|-----|--|--|--|--|--|
| 12. |  |  |  |  |  |
| 13. |  |  |  |  |  |
| 14. | Decision on<br>Technical<br>Responsiveness |  |  |  |  |

1. *List the mandatory and optional features which are checked and compared as detailed in your technical specifications to determine on conformity to technical specifications.*
2. *This should also cover all deviations listed by bidder in response to Clause 14.3 (c) of ITB.*

**Brief details of Assumptions made in Evaluation**

a)

b)

c)

d)

**Comparative Statement of Responsive Offers**

| Items   | Price         |               |               |
|---|---------------|---------------|---------------|
|   | Bidder's Name | Bidder's Name | Bidder's Name |
|   |               |               |               |
| (Groups A and B separately)   |               |               |               |
|   |               |               |               |
| Cost per unit (in Rs.)  |               |               |               |
|   |               |               |               |
| 1. <u>Ex-factory/ ex-showroom/ ex-warehouse or Off-the-Shelf prices</u> |               |               |               |
| 2. <u>Excise duty (if quoted separately)</u>                            |               |               |               |
| 3. <u>Packing &amp; forwarding charges</u>                              |               |               |               |
| 4. <u>Inland freight</u>  |               |               |               |
| 5. <u>Insurance</u>   |               |               |               |
| 6. <u>Other charges, if any</u>   |               |               |               |

|     |                                    |  |  |
|-----|------------------------------------|--|--|
|     |                                    |  |  |
|     | <b>TOTAL</b>                       |  |  |
| 7.  | Discounts, if any                  |  |  |
| 8.  | Total unit cost as quoted          |  |  |
| 9.  | No. to be supplied                 |  |  |
| 10. | Total cost as quoted               |  |  |
| 11. | Delivery period offered            |  |  |
| 12. | Delivery period loading            |  |  |
| 13. | Payment terms loading              |  |  |
| 14. | Other loadings                     |  |  |
| 15. | Total evaluated price with loading |  |  |
| 16. | Ranking                            |  |  |



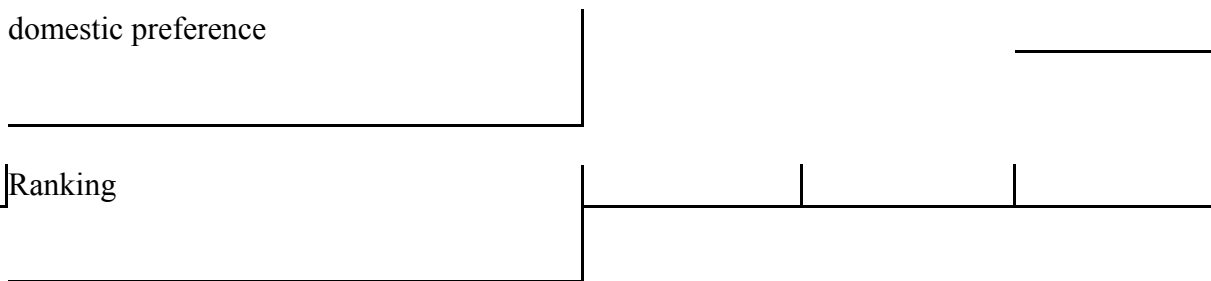


| Items  | Price Converted to Indian Rupees |                              |                              |
|--|----------------------------------|------------------------------|------------------------------|
|  | Bidder's Name<br>and Country     | Bidder's Name<br>and Country | Bidder's Name<br>and Country |
| <u>Group C</u>   |                                  |                              |                              |
| Cost per unit (in Rs.)   |                                  |                              |                              |
| 1. a) CIF including agency commission as<br>quoted per machine |                                  |                              |                              |
| i)   |                                  |                              |                              |
| b) Ex-factory price (for items supplied<br>locally from India) |                                  |                              |                              |
| 2. Port clearance & incidentals                                |                                  |                              |                              |
| 3. Inland Freight  |                                  |                              |                              |
| 4. LC charges, if any  |                                  |                              |                              |
| 5. Other charges per unit, if any                              |                                  |                              |                              |
| <b>TOTAL</b>   |                                  |                              |                              |

|     |   |  |  |
|-----|---|--|--|
|     |   |  |  |
| 6.  | Discounts, if any   |  |  |
| 7.  | Total unit cost   |  |  |
| 8.  | No. to be supplied  |  |  |
| 9.  | Total cost  |  |  |
| 10. | Delivery period offered   |  |  |
| 11. | Delivery period loading   |  |  |
| 12. | Payment term loading  |  |  |
| 13. | Other loadings  |  |  |
| 14. | Total evaluated price with loading  |  |  |
| 15. | Loading for domestic preference [The amount of customs duty and other import taxes as applicable or 15% of 1 (a) above, whichever is lower] |  |  |
| 16. | Total evaluated price after loading for   |  |  |

domestic preference

17. Ranking



**Post Qualification**

| <u>Criteria as specified in the bidding document*</u> |  | <u>Bidder 1</u> | <u>Bidder 2</u> | <u>Bidder 3</u> |
|---|--|-----------------|-----------------|-----------------|
| 1.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 2.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 3.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 4.  |  |                 |                 |                 |
|   |  |                 |                 |                 |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Note: 1(\*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

*2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.*

**Details of Recommended Offer**

Name of Bidder \_\_\_\_\_

| Sl. No. | Name of Item                           | Specification or Part No. | Unit | Qty. | Rate | Value* |
|---------|--|---------------------------|------|------|------|--------|
| 1.      | Basic item                             |                           |      |      |      |        |
| 2.      | List of Tools                          |                           |      |      |      |        |
| 3.      | List of special accessories and spares |                           |      |      |      |        |
|         | List of spares for 2- year             |                           |      |      |      |        |

|    |                    |  |  |  |  |  |
|----|--------------------|--|--|--|--|--|
| 4. | maintenance        |  |  |  |  |  |
| 5. |                    |  |  |  |  |  |
|    | <b>Total Cost*</b> |  |  |  |  |  |

\* All values in Bid Currency

NR/MC/sp April 4, 2000

m:\pdata\sbd\fb&ch\forms\h.doc

Section IX. Contract Forms

## Table of Forms

[1. Contract Agreement](#) 96

[2. Performance Security](#) 98

[3. Bank Guarantee for Advance Payment](#) 99

## 1. Contract Agreement

*[The successful Bidder shall fill in this form in accordance with the instructions indicated]*

THIS CONTRACT AGREEMENT is made

the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

BETWEEN

(1) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of .... of the Government of {insert name of Country of Purchaser}, or corporation incorporated under the laws of {insert name of Country of Purchaser}]* and having its principal place of business at *[insert address of Purchaser]* (hereinafter called “the Purchaser”), and

(2) *[insert name of Supplier]*, a corporation incorporated under the laws of *[insert: country of Supplier]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called “the Supplier”).

WHEREAS the Purchaser invited bids for certain Goods and ancillary services, viz., *[insert brief description of Goods and Services]* and has accepted a Bid by the Supplier for the supply of those Goods and Services in the sum of *[insert Contract Price in words and figures, expressed in the Contract currency(ies)]* (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:
  - (h) This Contract Agreement
  - (i) Special Conditions of Contract
  - (j) General Conditions of Contract
  - (k) Technical Requirements (including Schedule of Requirements and Technical Specifications)
  - (l) The Supplier’s Bid and original Price Schedules
  - (m) The Purchaser’s Notification of Award
  - (n) *[Add here any other document(s)]*
3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.
4. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services



and to remedy defects therein in conformity in all respects with the provisions of the Contract.

5. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of *[insert the name of the Contract governing law country]* on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed: *[insert signature]*

in the capacity of *[ insert title or other appropriate designation ]*

in the presence of *[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*

in the capacity of *[ insert title or other appropriate designation ]*

in the presence of *[ insert identification of official witness]*

## 2. Performance Security

*[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]*

Date: *[insert date (as day, month, and year) of Bid Submission]*

ICB No. and title: *[insert no. and title of bidding process]*

Bank's Branch or Office: *[insert complete name of Guarantor]*

**Beneficiary:** *[insert complete name of Purchaser]*

**PERFORMANCE GUARANTEE No.:** *[insert Performance Guarantee number]*

We have been informed that *[insert complete name of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with you, for the supply of *[description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a Performance Guarantee is required.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert amount(s) [5](#) in figures and words]* upon receipt by us of your first demand in writing declaring the Supplier to be in default under the Contract, without cavil or argument, or your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*, [6](#) and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

*[signatures of authorized representatives of the bank and the Supplier]*

### 3. Bank Guarantee for Advance Payment

*[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated.]*

Date: *[insert date (as day, month, and year) of Bid Submission]*

ICB No. and title: *[insert number and title of bidding process]*

*[bank's letterhead]*

**Beneficiary:** *[insert legal name and address of Purchaser]*

**ADVANCE PAYMENT GUARANTEE No.:** *[insert Advance Payment Guarantee no.]*

We, *[insert legal name and address of bank]*, have been informed that *[insert complete name and address of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert date of Agreement]* with you, for the supply of *[insert types of Goods to be delivered]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance is to be made against an advance payment guarantee.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount(s)]* **[7]** *in figures and words* upon receipt by us of your first demand in writing declaring that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than toward delivery of the Goods.

It is a condition for any claim and payment under this Guarantee to be made that the advance payment referred to above must have been received by the Supplier on its account *[insert number and domicile of the account]*

This Guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[insert date]* **[8]**.

This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

\_\_\_\_\_  
*[signature(s) of authorized representative(s) of the bank]*

#### **Notification of Award**

(letterhead paper of the Purchaser)

\_\_\_\_\_ [date]

To: \_\_\_\_\_ [name  
and address of the Contractor]

Dear Sir,

This is to notify you that your Bid dated \_\_\_\_\_ for supply of the \_\_\_\_\_ [name of the contract and identification number, as given in the Instructions to Bidders] for the Contract Price of Rupees \_\_\_\_\_ (\_\_\_\_\_) [amount in words and figures], as corrected and modified in accordance with the Instructions to Bidders<sup>1</sup> is hereby accepted by our Organisation.

We accept/do not accept that \_\_\_\_\_ be appointed as the Adjudicator<sup>2</sup>.

We note that as per bid, you do not intend to subcontract any component of the Contract.

[OR]

We note that as per bid, you propose to employ M/s. .... as sub-contractor for supplying .....

*[Delete whichever is not applicable]*

You are hereby requested to furnish Performance Security, in the form detailed in Para 35.1 of ITB for an amount of Rs.----- within 21 days of the receipt of this letter of acceptance valid upto 28 days from the date of expiry of Warranty Period i.e. upto ..... and sign the contract, failing which action as stated in Para 35.2 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and Title of Signatory

Name of Agency

<sup>1</sup> Delete "corrected and" or "and modified" if only one of these actions applies. Delete "as corrected and modified in accordance with the Instructions to Bidders" if corrections or modifications have not been effected.

<sup>2</sup> To be used only if the Contractor disagrees in his Bid with the Adjudicator proposed by the Employer in the "Instructions to Bidders."

NAME OF THE INSTITUTION/ ORGANISATION  
INVITATION FOR BIDS (IFB)  
NATIONAL COMPETITIVE BIDDING FOR GOODS

Date: \_\_\_\_\_ IFB No. \_\_\_\_\_

1. The Government of India has received a Credit 4685-IN from the International Development Association and a Loan (Loan ---IN) from the International Bank for Reconstruction and Development in various currencies towards the cost of \_\_\_\_\_ project and it is intended that part of the proceeds of this credit will be applied to eligible payments under

the contracts for which this Invitation for Bids is issued.

2. The \_\_\_\_\_ now invites sealed bids from eligible bidders for supply of Packages listed below:

3. Interested Bidders may obtain further information on purchase of bid documents, time table for issue of bids and submission, cost of bid and methods of payments, bid security and pre bid meeting, from the office of the \_\_\_\_\_, India, or visit the Institute website as per details below:

Address : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Seal of office

### **SECTION IX: CONTRACT FORM**

**THIS AGREEMENT** made the .....day of....., 20... Between .....  
(*Name of purchaser*) of ..... (*Country of Purchaser*) (hereinafter called "the Purchaser") of the  
one part and ..... (*Name of Supplier*) of ..... (*City and Country of Supplier*)  
(hereinafter called "the Supplier") of the other part :

**WHEREAS** the Purchaser is desirous that certain Goods and ancillary services  
viz., ..... (*Brief Description of Goods and Services*) and has accepted a bid by the  
Supplier for the supply of those goods and services in the sum of ..... (*Contract Price in*  
*Words and Figures*) (hereinafter called "the Contract Price").

#### **NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:**

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



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

Signed, Sealed and Delivered by the

said ..... (For the Purchaser)

in the presence of:.....

Signed, Sealed and Delivered by the

said ..... (For the Supplier)

in the presence of:.....

**SECTION X: PERFORMANCE SECURITY FORM**



**SECTION X. PERFORMANCE SECURITY FORM**

To: \_\_\_\_\_ (Name of Purchaser)

**WHEREAS** ..... (Name of Supplier)

hereinafter called "the Supplier" has undertaken , in pursuance of Contract (Notification of Award) No..... dated,..... 20... to supply.....(Description of Goods and Services) hereinafter called "the Contract".

**AND WHEREAS** it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with the Supplier's performance obligations in accordance with the Contract.

**AND WHEREAS** we have agreed to give the Supplier a Guarantee:

**THEREFORE WE** hereby affirm that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total of ..... (Amount of the Guarantee in Words and Figures) and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract and without cavil or argument, any sum or sums within the limit of ..... (Amount of Guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the .....day of.....20.....

Signature and Seal of Guarantors

.....  
.....  
.....

Date.....20....

Address:.....

.....  
.....



**SECTION XI: PERFORMANCE STATEMENT**

*Please attach "Proforma for Performance Statement"*

**SECTION XII**

(Please see Clause 13.3(a) of Instructions to Bidders)

**MANUFACTURERS' AUTHORIZATION FORM\***

No. \_\_\_\_\_ dated \_\_\_\_\_

To

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sir:

IFB No. \_\_\_\_\_

We \_\_\_\_\_ who are established and reputable manufacturers of \_\_\_\_\_ *(name and description of goods offered)* having factories at \_\_\_\_\_ *(address of factory)* do hereby authorize M/s \_\_\_\_\_ *(Name and address of Agent)* to submit a bid, and sign the contract with you for the goods manufactured by us against the above IFB.

No company or firm or individual other than M/s \_\_\_\_\_ are authorized to bid, and conclude the contract for the above goods manufactured by us, against this specific IFB. *(This para should be deleted in simple items where manufacturers sell the product through different stockists.)*

We hereby extend our full guarantee and warranty as per Clause 15 of the General Conditions of Contract and Clause 10 of the Special Conditions of Contract for the goods and services offered for supply by the above firm against this IFB.

Yours faithfully,

(Name)

(Name of manufacturers)

Note: This letter of authority should be on the letterhead of the manufacturer and should be signed by a person competent and having the power of attorney to legally bind the manufacturer. It should be included by the Bidder in its bid.

- \* Modify this format suitably in case where manufacturer's warranty and guarantee are not applicable for the items for which bids are invited.

**SECTION XIII**

**SAMPLE FORM**

**BANK GUARANTEE FOR ADVANCE PAYMENT**

To: \_\_\_\_\_ (*name of Purchaser*)  
\_\_\_\_\_ (*address of Purchaser*)  
\_\_\_\_\_ (*name of Contract*)

Gentlemen:

In accordance with the provisions of the Special Conditions of Contract which amends Clause 16 of the General Conditions of Contract \_\_\_\_\_ (*name and address of Supplier*) (hereinafter called "the supplier") shall deposit with \_\_\_\_\_ (*name of Purchaser*) a bank guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of \_\_\_\_\_ (*amount of guarantee*)\*  
\_\_\_\_\_ (*in words*).

We, the \_\_\_\_\_ (*bank or financial institution*), as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to \_\_\_\_\_ (*name of Purchaser*) on his first demand without whatsoever right of objection on our part and without his first claim to the Supplier, in the amount not exceeding  
\_\_\_\_\_ (*amount of guarantee*)\* \_\_\_\_\_ (*in words*).

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between \_\_\_\_\_ (*name of Purchaser*) and the Supplier, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the contract until \_\_\_\_\_

Yours truly,

Signature and seal : \_\_\_\_\_

Name of bank/  
financial institution : \_\_\_\_\_

Address : \_\_\_\_\_

Date : \_\_\_\_\_

\_\_\_\_\_

\* An amount is to be inserted by the bank representing the amount of the Advance Payment.



## SECTION XIV

### **Eligibility for the Provision of Goods, Works and Services in Bank-Financed Procurement.**

As of March 2000<sup>1</sup>

For the information of Borrowers and Bidders, and with reference to paragraph 1.6, footnote 9, of the *Guidelines: Procurement under IBRD Loans and IDA Credits*, dated January 1995 (revised January and August 1996 and September 1997, and January 1999), set forth below is a list of countries from which Bidders, Goods and Services are not eligible to participate in procurement financed by the World Bank or IDA<sup>2</sup>.

- Andorra
- Cuba
- Democratic People's Republic of Korea (North Korea)
- Liechtenstein
- Monaco
- Nauru
- Tuvalu

In addition, Bidders, Goods and Services from other countries or territories may be declared ineligible by a provision in the Bidding Documents if the borrower's country has excluded them by a law, an official regulation, or an act of compliance meeting the requirements of paragraph 1.8 (a) of the *Guidelines: Procurement under IBRD Loans and IDA Credits*.

The Loan/Credit Agreement also prohibits a withdrawal from the Loan / Credit Account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. At the present time, this prohibition applies to no country.

## Notes:

---

1. The most current listing of eligible countries can be viewed on the Public Information Center's Web page at: <http://www.worldbank.org/html/pic/PROCURE.html>. A list of firms debarred from participating in World Bank projects is available at: <http://www.worldbank.org/html/opr/procure/debarr.html>.
2. Any questions regarding this list should be addressed to the Senior Manager, Procurement Policy and Services Group, Operational Core Services Network, The World Bank



9. Details of arrangement for quality control of products such as laboratory, testing equipment etc.
  
10. Details of staff:
  - 10.1 Details of technical supervisory staff in charge of production & quality control.
  - 10.2 Skilled labour employed.
  - 10.3 Unskilled labour employed.
  - 10.4 Maximum No. of workers (skilled & unskilled) employed on any day during the 18 months preceding the date of Tender.
  
11. Whether Goods are tested to any standard specification? If so, copies of original test certificates should be submitted in triplicate.
  
12. Are you registered with the Directorate General of Supplies and Disposals, New Delhi 110 001, India? If so, furnish full particulars of registration, period of currency etc. with a copy of the certificate of registration.

.....  
Signature and seal of the Manufacturer

NR/ls                      Friday, October 29, 2004  
m:\pdat\sbd\eqpt\el-ncbeqpt\e-1.doc

**Enclosure VI**

**SUGGESTED FORMAT OF BID EVALUATION REPORT FOR  
GOODS & EQUIPMENT (NCB)**

1. Scope of contract and approximate cost:

- Outline brief description of Goods and services covered by the invitation.
- Furnish estimated cost at the time of appraisal and the actual cost for the proposed contract.

2. Bidding document:

Briefly discuss and indicate:

- Details of approval by World Bank/Govt.
- Variations from the approved document, if any
- Specifications (approval reference, if any)
- Requirement of accessories/spares, if any
- Delivery requirements
- Important bidding conditions such as:
  - price adjustment
  - loading for
    - (a) delivery schedule
    - (b) payment schedule
    - (c) performance and productivity
    - (d) operating and maintenance costs

[Enclose copy of bidding documents and amendments if any, if not sent earlier (Annexure I)]

3. Bid invitation process: Furnish the following details:

- Date of publication of general procurement notice
- Bid invitation advertisement in national News papers and dates of publication
- Period in which the bidding documents were made available for sale
- Number of firms who purchased the bidding documents and their nationality
- Date of closing and extensions, if any
- Pre-bid conference, minutes of meeting and resulting amendments, if any

- Date and time of public bid opening, attendance, highlights of the bid opening meeting

[Enclose copies of Prebid minutes (Annexure II) and minutes of bid opening (Annexure III)]

4. Bid response:

- State number of offers received and the nationality
- Furnish details of offers received:

(i) In time

(ii) Late

Total

- Furnish Table of bid prices as read out at bid opening (in ascending order):

| <u>Sl.No.</u> | <u>Name of bidder</u> | <u>Nationality</u> | <u>Bid price as read out</u> | <u>Remarks</u> |
|---------------|-----------------------|--------------------|------------------------------|----------------|
|---------------|-----------------------|--------------------|------------------------------|----------------|

5. Clarifications obtained, if any

6. Preliminary examination of bids:

- Discuss preliminary examination for eligibility (ITB Clause 2), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.
- List arithmetical errors and corrected bid prices
- Furnish details of all bids in Annexure IV.
- List the bids rejected as non-responsive

| <u>Sl. No.</u> | <u>Name of bidder</u> | <u>Bid price</u> | <u>Brief reasons</u> |
|----------------|-----------------------|------------------|----------------------|
|----------------|-----------------------|------------------|----------------------|

7. Evaluation of substantially responsive bidders:

- State evaluation criteria, methodology cross-referencing to bid documents, assumptions, if any, made in evaluation (Annexure V).

- Discuss briefly offers and adjustment, if any, for:

- Commercial aspects:

- o omissions
- o inland transportation
- o delivery
- o deviation in payment schedule
- o spare parts
- o operation and maintenance

o performance and productivity

etc.

- Technical criteria:

- o efficiency
- o productivity
- o training etc.

- Prepare evaluation table showing all adjustments and ranking as under:

| <u>Rank</u> | <u>Name of bidder/<br/>Manufacturer/Agent</u> | <u>Evaluated FOR<br/>destination price</u> |
|-------------|---|--|
| 1           |   |  |
| 2           |   |  |
| 3           |   |  |

(Details in Annexure VI)

- Brief discussion of offers
- Determination of the lowest evaluated responsive bidder

8. Post qualification:

- State criteria, if any, outlined in the bid document.
- Discuss actual qualification of selected bidder to demonstrate whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for a similar determination of bidder's capability to perform satisfactorily.)

(Details in Annexure VII)

9. Recommendations:

- Furnish important features of recommended bid such as:
  - o Bidders name
  - o Model, quantity and total bid price for:
    - basic machine
    - list of tools
    - list of special accessories
    - list of 2 years maintenance spares
    - Other Services

Total Rs. \_\_\_\_\_

- o Source of origin
- o Payment terms
- o Agency commission
- o Delivery
- o Inspection
- o Insurance
- o Freight
- o Performance security



- o Specifications
  - o Other important terms and conditions
- Date of expiry of validity of the selected bid

(Enclose contract information sheet of selected bidder, Annexure VIII)

Evaluating officer

Signature of

competent Authority

Signature of

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Prebid minutes (Annex II)
3. Minutes of bid opening (Annex III)
4. Details of assessment of bids (Annex IV)
5. Assumptions made in evaluation (Annex V)
6. Evaluated bid prices of offers (Annex VI)
7. Details of post-qualification (Annex VII)
8. Contract information of selected bidder (Annex VIII)

**Assessment of Bids**

| Sl. No. | Particulars  | Name of Bidder 1<br>..... | Name of Bidder 2<br>..... | Name of Bidder 3<br>..... | Name of Bidder 4<br>..... | Name of Bidder 5<br>..... |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 1.      | Manufactured by  |                           |                           |                           |                           |                           |
| 2.      | Country of Origin  |                           |                           |                           |                           |                           |
| 3.      | Agent  |                           |                           |                           |                           |                           |
| 4.      | Classification   |                           |                           |                           |                           |                           |
| 5.      | Model Offered  |                           |                           |                           |                           |                           |
| 6.      | Model Number   |                           |                           |                           |                           |                           |
| 7.      | Total Bid Price  |                           |                           |                           |                           |                           |
| 8.      | Total Cost per unit as per Bid Document in Indian Rupees |                           |                           |                           |                           |                           |

|     |   |  |  |  |  |  |
|-----|---|--|--|--|--|--|
|     |   |  |  |  |  |  |
| 9.  | Credentials<br>-----<br>Letter of Authorization |  |  |  |  |  |
| 10. | Commercial Assessment*                          |  |  |  |  |  |
| 11. | Technical Assessment*                           |  |  |  |  |  |
| 12. | Decision on Responsiveness                      |  |  |  |  |  |

\* For details see attachment.

**EVALUATION OF THE BIDS**

Commercial Analysis for Responsiveness of Bid:

| <u>Sl. No</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|---------------|---|---------------------------------|----------------------------------|----------------------------------|
| 1.            | Model Offered                           |                                 |                                  |                                  |
| 2.            | Model No.                               |                                 |                                  |                                  |
| 3.            | Manufd. By                              |                                 |                                  |                                  |
| 4.            | Country of Origin                       | ITB                             | 2                                |                                  |
| 5.            | Bid Security                            | ITB                             | 15                               |                                  |
|               | 5.1 Form of Bid Security                |                                 |                                  |                                  |
|               | 5.2 Bank and Branch                     |                                 |                                  |                                  |
|               | 5.3 Expiry Date                         |                                 |                                  |                                  |

|     |                         |     |         |  |  |  |
|-----|-------------------------|-----|---------|--|--|--|
|     |                         |     |         |  |  |  |
|     | 5.4 Amount              |     |         |  |  |  |
| 6.  | Validity of Bid         | ITB | 16      |  |  |  |
| 7.  | Letter of Authorisation | ITB | 13.3(a) |  |  |  |
| 8.  | Bid Form                | ITB | 9.1     |  |  |  |
| 9.  | Exceptions to:          |     |         |  |  |  |
|     | Delivery;               | ITB | 26.5(b) |  |  |  |
|     | Payment Terms; and      | ITB | 26.5(c) |  |  |  |
|     | Others                  |     |         |  |  |  |
| 10. | Bid Currency            | ITB | 12      |  |  |  |
| 11. | Performance Statement   | ITB | 13.3(b) |  |  |  |

| <u>Sl. No.</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder 1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|----------------|---|----------------------------------|----------------------------------|----------------------------------|
|----------------|---|----------------------------------|----------------------------------|----------------------------------|

|     |                                       |  |  |  |  |  |
|-----|---------------------------------------|--|--|--|--|--|
| 12. | Decision on Commercial Responsiveness |  |  |  |  |  |
|-----|---------------------------------------|--|--|--|--|--|

*Note: Add parameters as required to suit the item under procurement and as specified in your bidding document.*

Technical Evaluation of the Bids:

| <u>Sl. No.</u> | <u>Particulars</u> | <u>Technical Specifications Clause Reference</u> | <u>Name of Bidder 1</u> | <u>Name of Bidder 2</u> | <u>Name of Bidder 3</u> |
|----------------|--------------------|--|-------------------------|-------------------------|-------------------------|
|                |                    |  | .....                   | .....                   | .....                   |
| 1.             | Model No           |  |                         |                         |                         |
| 2.             | Mfd. By            |  |                         |                         |                         |
| 3.             | Model Type         |  |                         |                         |                         |
| 4.             |                    |  |                         |                         |                         |
| 5.             |                    |  |                         |                         |                         |
| 6.             |                    |  |                         |                         |                         |
| 7.             |                    |  |                         |                         |                         |
| 8.             |                    |  |                         |                         |                         |

|     |  |  |  |  |  |
|-----|--|--|--|--|--|
| 9.  |  |  |  |  |  |
| 10. |  |  |  |  |  |
| 11. |  |  |  |  |  |
| 12. |  |  |  |  |  |
| 13. |  |  |  |  |  |
| 14. | Decision on<br>Technical<br>Responsiveness |  |  |  |  |

- a) *List the mandatory and optional features which are checked and compared as detailed in your technical specifications to determine on conformity to technical specifications.*
- b) *This should also cover all deviations listed by bidder in response to Clause 14.3 (c) of ITB.*



**Brief details of Assumptions made in Evaluation**

a)

b)

c)

d)

**Comparative Statement of Responsive Offers**

| Items   | Price                  |                        |                        |
|---|------------------------|------------------------|------------------------|
|   | Bidder's Name<br>..... | Bidder's Name<br>..... | Bidder's Name<br>..... |
| (Groups A and B separately)   |                        |                        |                        |
| Cost per unit (in Rs.)  |                        |                        |                        |
| 1. <u>Ex-factory/ ex-showroom/ ex-warehouse or Off-the-Shelf prices</u> |                        |                        |                        |
| 2. <u>Excise duty (if quoted separately)</u>                            |                        |                        |                        |
| 3. <u>Packing &amp; forwarding charges</u>                              |                        |                        |                        |
| 4. <u>Inland freight</u>  |                        |                        |                        |
| 5. <u>Insurance</u>   |                        |                        |                        |
| 6. <u>Other charges, if any</u>   |                        |                        |                        |

|     |                                    |  |  |
|-----|------------------------------------|--|--|
|     |                                    |  |  |
|     | <b>TOTAL</b>                       |  |  |
| 7.  | Discounts, if any                  |  |  |
| 8.  | Total unit cost as quoted          |  |  |
| 9.  | No. to be supplied                 |  |  |
| 10. | Total cost as quoted               |  |  |
| 11. | Delivery period offered            |  |  |
| 12. | Delivery period loading            |  |  |
| 13. | Payment terms loading              |  |  |
| 14. | Other loadings                     |  |  |
| 15. | Total evaluated price with loading |  |  |
| 16. | Ranking                            |  |  |

**Post Qualification**

| <u>Criteria as specified in the bidding document*</u> |  | <u>Bidder 1</u> | <u>Bidder 2</u> | <u>Bidder 3</u> |
|---|--|-----------------|-----------------|-----------------|
| 1.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 2.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 3.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 4.  |  |                 |                 |                 |
|   |  |                 |                 |                 |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Note: 1(\*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

*2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.*

**Details of Recommended Offer**

Name of Bidder \_\_\_\_\_

| Sl. No. | Name of Item                           | Specification or Part No. | Unit | Qty. | Rate | Value |
|---------|--|---------------------------|------|------|------|-------|
| 1.      | Basic item                             |                           |      |      |      |       |
| 2.      | List of Tools                          |                           |      |      |      |       |
| 3.      | List of special accessories and spares |                           |      |      |      |       |
|         |  |                           |      |      |      |       |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 4. | List of spares for 2- year maintenance |  |  |  |  |  |
| 5. |  |  |  |  |  |  |
|    | <b>Total Cost</b>                      |  |  |  |  |  |

**Notification of Award**

(letterhead paper of the Purchaser)

\_\_\_\_\_ [date]

To: \_\_\_\_\_ [name  
and address of the Contractor]

Dear Sir,

This is to notify you that your Bid dated \_\_\_\_\_ for supply of the \_\_\_\_\_ [name of the contract and identification number, as given in the Instructions to Bidders] for the Contract Price of Rupees \_\_\_\_\_ (\_\_\_\_\_) [amount in words and figures], as corrected and modified in accordance with the Instructions to Bidders<sup>1</sup> is hereby accepted by our Organisation.

We accept/do not accept that \_\_\_\_\_ be appointed as the Adjudicator<sup>2</sup>.

We note that as per bid, you do not intend to subcontract any component of the Contract.

[OR]

We note that as per bid, you propose to employ M/s. .... as sub-contractor for supplying .....

*[Delete whichever is not applicable]*

You are hereby requested to furnish Performance Security, in the form detailed in Para 35.1 of ITB for an amount of Rs.----- within 21 days of the receipt of this letter of acceptance valid upto 28 days from the date of expiry of Warranty Period i.e. upto ..... and sign the contract, failing which action as stated in Para 35.2 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and Title of Signatory

Name of Agency

<sup>1</sup> Delete "corrected and" or "and modified" if only one of these actions applies. Delete "as corrected and modified in accordance with the Instructions to Bidders" if corrections or modifications have not been effected.

<sup>2</sup> To be used only if the Contractor disagrees in his Bid with the Adjudicator proposed by the Employer in the "Instructions to Bidders."

**PURCHASE ORDER**

=====

Reference No:

Date of Issue:

=====

Subject:

=====

Purchaser:

=====



Supplier Name:

---

---

With reference to our correspondence, is pleased to award this detailed Purchase Order to for supply of items as per the details given below at a total cost of (<In words>):

---

---

Total price (without taxes) : Rs.  
Total applicable taxes : %  
Total price (with taxes) : Rs.  
Total Octroi : Rs.

Delivery :

Testing/Installation  
Clause (if any) :

Training Clause (if any) :

Technical Specifications : As per Annexure - 1

Delivery Period : As specified for each item from date  
of issue of confirmed purchase order or as early as possible.

Warranty :

Payment Terms :

---

---

For

(Authorized Signatory)

Name & Designation

---

---

Accepted by

Signature

Date

Address

---

---

**Annexure I**

**Agreement Form**

**Agreement**

This agreement, made the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_,  
between \_\_\_\_\_

\_\_\_\_\_ [name and address of Employer]

(hereinafter called “the Employer”) of the one part and

\_\_\_\_\_ [name and address of  
contractor] (hereinafter called “the Contractor”) of the other part.

Whereas the Employer is desirous that the Contractor execute \_\_\_\_\_

\_\_\_\_\_ [ name and identification number of Contract] (hereinafter called “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein at a contract price of Rupees.....

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expression shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.

2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all aspects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying the defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
4. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
  - i) Letter of Acceptance;
  - ii) Notice to proceed with the works;
  - iii) Contractor's Bid;
  - iv) Contract Data;
  - v) Conditions of contract (including Special Conditions of Contract);
  - vi) Specifications;
  - vii) Drawings;
  - viii) Bill of Quantities; and
  - ix) Any other document listed in the Contract Data as forming part of the contract.

In witness whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

The Common Seal of \_\_\_\_\_

was hereunto affixed in the presence of:

Signed,            Sealed            and            Delivered            by            the            said

\_\_\_\_\_

\_\_\_\_\_

—

in the presence of:

Binding Signature of Employer

\_\_\_\_\_

Binding Signature of Contractor

\_\_\_\_\_

## **SUGGESTED FORMAT OF BID EVALUATION REPORT FOR CIVIL WORKS (NCB)**

### 1. Scope of contract and approximate cost:

- Outline brief description of works covered by invitation.
- Furnish estimated cost at the time of appraisal and the actual cost for the proposed contract.

### 2. Bidding document:

Furnish the following details and discuss:

- Approval by World Bank/Govt.
- Variations from the approved document, if any.
- Specifications and drawings (approval).
- Implementation schedule and stipulated time for completion.
- Important bidding conditions, such as, price adjustment, if any, etc.

(Enclose copy of bidding document with amendments if any, if not sent earlier, Annexure I).

### 3. Bid invitation process:

Furnish the following details and discuss:

- Bid invitation advertisement in national press, names of news papers and dates of publication.
- Dates the bidding document was available for sale.
- Number of bidders who purchased the bidding documents and their nationality.

- Prebid conference, minutes of meeting and resulting amendments, if any.
- Date and time of public bid opening, attendance, highlights of the bid opening meeting, etc.

(Enclose copies of Bid Invitation, Prebid minutes, minutes of bid opening - Annexures II, III & IV).

4. Bid response:

- State number of offers received and the nationality.
- Furnish details of offers received:

- (i) In time
- (ii) Late

-----  
Total

- Furnish table of bid prices as read out at the bid opening meeting and as converted (in increasing order of bid value) :

| <u>price</u>    | <u>Sl.No.</u> | <u>Remarks</u> | <u>Name of bidder</u> | <u>Nationality</u> | <u>Bid</u> |
|-----------------|---------------|----------------|-----------------------|--------------------|------------|
| <u>read out</u> |               |                |                       |                    | <u>as</u>  |

5. Clarifications obtained, if any.

6. Preliminary examination of bids:

- Discuss preliminary examination for eligibility (ITB Clause 3), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.

- Furnish details of all bids in Annexure - V.
- List the bids rejected as non-responsive.

rejection

| <u>Sl. No.</u> | <u>Name of bidder</u> | <u>Bid price</u> | <u>Brief reasons for</u> |
|----------------|-----------------------|------------------|--------------------------|
|----------------|-----------------------|------------------|--------------------------|

7. Evaluation of substantially responsive bidders:

- State evaluation criteria and methodology cross-referencing to bid documents.
- Discuss conditions if any and loading of bid prices.
- Prepare evaluation table showing the rankings as under:

| <u>Rank</u> | <u>Bidder</u> | <u>Bid price</u> |
|-------------|---------------|------------------|
| 1           |               |                  |
| 2           |               |                  |
| 3           |               |                  |

(Furnish details as in Annexure VI)

- Discussion of offers:
  - Determination of lowest evaluated responsive bid.
  - Comments on unbalanced item bids, if any.

8. Post-qualification/Verification for prequalified bidders:

- State criteria if any outlined in the bid document.





(Enclose checklist duly filled)

Signature of Evaluating Officer

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes and Copies of Amendments, if issued (Annex III)
4. Minutes of bid opening (Annex IV)
5. Assessment of bids (Annex V)
6. Comparative Statement of Offers (Annex VI)
7. Details of post-qualification/verification of prequalified bidders (Annex VII)
8. Details of Recommended Bidder (Annex VIII)

**Assessment of Bids**

| Sl. No. | Particulars                                     | Bidder 1 | Bidder 2 | Bidder 3 | Bidder 4 | Bidder 5 |
|---------|---|----------|----------|----------|----------|----------|
| 1.      | Name of Bidder                                  |          |          |          |          |          |
| 2.      | Country of Origin                               |          |          |          |          |          |
| 3.      | Bid Price                                       |          |          |          |          |          |
| 4.      | Credentials<br>-----<br>Letter of Authorisation |          |          |          |          |          |
| 5.      | Commercial Assessment*                          |          |          |          |          |          |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 6. | Technical Assessment*  |  |  |  |  |  |
| 7. | Decision on Responsiveness   |  |  |  |  |  |
| 8. | Capacity cum Capability*<br>Assessment<br><br>(Post/ Prequalification) |  |  |  |  |  |

\* For details see attachment.

**EVALUATION OF THE BIDS**

Analysis for Responsiveness of Bid:

| <u>Sl. No.</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|----------------|---|---------------------------------|----------------------------------|----------------------------------|
| 1.             | Validity of Bid                         | ITB                             | 15                               |                                  |
| 2.             | Bid Security                            | ITB                             | 16                               |                                  |
|                | 5.1 Form of Bid Security                |                                 |                                  |                                  |
|                | 5.2 Bank and Branch                     |                                 |                                  |                                  |
|                | 5.3 Expiry Date                         |                                 |                                  |                                  |
|                | 5.4 Amount                              |                                 |                                  |                                  |
| 3.             | Letter of Authorization                 | ITB                             | 18.2                             |                                  |

|  |
|--|
|  |
|--|

|    |                                       |     |      |  |  |  |  |
|----|---------------------------------------|-----|------|--|--|--|--|
| 4. | Bid Form                              | ITB | 12.1 |  |  |  |  |
| 5. | Exceptions to Clauses, if any:        |     |      |  |  |  |  |
|    |                                       |     |      |  |  |  |  |
| 6. | Unbalanced Bids                       | ITB | 29.5 |  |  |  |  |
| 7. | Price Adjustment, if suggested        | ITB | 13.4 |  |  |  |  |
| 8. | Technical Deviations, if any          |     |      |  |  |  |  |
| 9. | Decision on Commercial Responsiveness |     |      |  |  |  |  |

*Note: Add parameters as required to suit the item under procurement and as specified in your bidding document.*





**Post Qualification**

| <u>Criteria as specified in the bidding document*</u> |  | <u>Bidder 1</u> | <u>Bidder 2</u> | <u>Bidder 3</u> |
|---|--|-----------------|-----------------|-----------------|
| 1.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 2.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 3.  |  |                 |                 |                 |
|   |  |                 |                 |                 |
| 4.  |  |                 |                 |                 |
|   |  |                 |                 |                 |



|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Note: 1(\*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

*2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.*

**Details of Recommended Offer**

1. Total Value of Bid in Rupees :
2. Advances: Mobilization / Equipment :
3. Interest on Advance, if any :
4. Performance Security :
5. Additional Performance Security for  
Unbalanced Bids, if any :
6. Retention Money :
7. Milestones to be Achieved :
8. Liquidated Damages for different milestones :

**SUGGESTED FORMAT OF BID EVALUATION REPORT FOR  
GOODS & EQUIPMENT (NCB)**

1. Scope of contract and approximate cost:

- Outline brief description of Goods and services covered by the invitation.
- Furnish estimated cost at the time of appraisal and the actual cost for the proposed contract.

2. Bidding document:

Briefly discuss and indicate:

- Details of approval by World Bank/Govt.
- Variations from the approved document, if any
- Specifications (approval reference, if any)
- Requirement of accessories/spares, if any
- Delivery requirements
- Important bidding conditions such as:
  - price adjustment
  - loading for
    - (a) delivery schedule
    - (b) payment schedule
    - (c) performance and productivity
    - (d) operating and maintenance costs

[Enclose copy of bidding documents and amendments if any, if not sent earlier (Annexure I)]

3. Bid invitation process: Furnish the following details:

- Date of publication of general procurement notice
- Bid invitation advertisement in national News papers and dates of publication
- Period in which the bidding documents were made available for sale
- Number of firms who purchased the bidding documents and their nationality
- Date of closing and extensions, if any
- Pre-bid conference, minutes of meeting and resulting amendments, if any
- Date and time of public bid opening, attendance, highlights of the bid opening meeting

[Enclose copies of Prebid minutes (Annexure II) and minutes of bid opening (Annexure III)]

4. Bid response:

- State number of offers received and the nationality
- Furnish details of offers received:

(i) In time

(ii) Late

Total

- Furnish Table of bid prices as read out at bid opening (in ascending order):

| <u>Sl.No.</u> | <u>Name of bidder</u> | <u>Nationality</u> | <u>Bid price as read out</u> | <u>Remarks</u> |
|---------------|-----------------------|--------------------|------------------------------|----------------|
|---------------|-----------------------|--------------------|------------------------------|----------------|

5. Clarifications obtained, if any

6. Preliminary examination of bids:

- Discuss preliminary examination for eligibility (ITB Clause 2), arithmetical

errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.

- List arithmetical errors and corrected bid prices
- Furnish details of all bids in Annexure IV.
- List the bids rejected as non-responsive

| <u>Sl. No.</u> | <u>Name of bidder</u> | <u>Bid price</u> | <u>Brief reasons</u> |
|----------------|-----------------------|------------------|----------------------|
|----------------|-----------------------|------------------|----------------------|

7. Evaluation of substantially responsive bidders:

- State evaluation criteria, methodology cross-referencing to bid documents, assumptions, if any, made in evaluation (Annexure V).
- Discuss briefly offers and adjustment, if any, for:

- Commercial aspects:

- o omissions
- o inland transportation
- o delivery
- o deviation in payment schedule
- o spare parts
- o operation and maintenance

o performance and productivity

etc.

- Technical criteria:

- o efficiency
- o productivity

- o training etc.

- Prepare evaluation table showing all adjustments and ranking as under:

| <u>Rank</u> | <u>Name of bidder/<br/>Manufacturer/Agent</u> | <u>Evaluated FOR<br/>destination price</u> |
|-------------|---|--|
| 1           |   |  |
| 2           |   |  |
| 3           |   |  |

(Details in Annexure VI)

- Brief discussion of offers
- Determination of the lowest evaluated responsive bidder

8. Post qualification:

- State criteria, if any, outlined in the bid document.
- Discuss actual qualification of selected bidder to demonstrate whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for a similar determination of bidder's capability to perform satisfactorily.)

(Details in Annexure VII)

9. Recommendations:

- Furnish important features of recommended bid such as:
  - o Bidders name
  - o Model, quantity and total bid price for:
    - basic machine
    - list of tools
    - list of special accessories

- list of 2 years maintenance spares
- Other Services

Total Rs. \_\_\_\_\_

- o Source of origin
- o Payment terms
- o Agency commission
- o Delivery
- o Inspection
- o Insurance
- o Freight
- o Performance security
- o Specifications
- o Other important terms and conditions

- Date of expiry of validity of the selected bid

(Enclose contract information sheet of selected bidder, Annexure VIII)

Evaluating officer

Signature of

competent Authority

Signature of

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Prebid minutes (Annex II)

3. Minutes of bid opening (Annex III)
4. Details of assessment of bids (Annex IV)
5. Assumptions made in evaluation (Annex V)
6. Evaluated bid prices of offers (Annex VI)
7. Details of post-qualification (Annex VII)
8. Contract information of selected bidder (Annex VIII)



**Assessment of Bids**

| Sl. No. | Particulars  | Name of Bidder 1<br>..... | Name of Bidder 2<br>..... | Name of Bidder 3<br>..... | Name of Bidder 4<br>..... | Name of Bidder 5<br>..... |
|---------|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| 1.      | Manufactured by  |                           |                           |                           |                           |                           |
| 2.      | Country of Origin  |                           |                           |                           |                           |                           |
| 3.      | Agent  |                           |                           |                           |                           |                           |
| 4.      | Classification   |                           |                           |                           |                           |                           |
| 5.      | Model Offered  |                           |                           |                           |                           |                           |
| 6.      | Model Number   |                           |                           |                           |                           |                           |
| 7.      | Total Bid Price  |                           |                           |                           |                           |                           |
| 8.      | Total Cost per unit as per Bid Document in Indian Rupees |                           |                           |                           |                           |                           |

|     |   |  |  |  |  |  |
|-----|---|--|--|--|--|--|
|     |   |  |  |  |  |  |
| 9.  | Credentials<br>-----<br>Letter of Authorization |  |  |  |  |  |
| 10. | Commercial Assessment*                          |  |  |  |  |  |
| 11. | Technical Assessment*                           |  |  |  |  |  |
| 12. | Decision on Responsiveness                      |  |  |  |  |  |

\* For details see attachment.

**EVALUATION OF THE BIDS**

Commercial Analysis for Responsiveness of Bid:

| <u>Sl. No</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|---------------|---|---------------------------------|----------------------------------|----------------------------------|
| 1.            | Model Offered                           |                                 |                                  |                                  |
| 2.            | Model No.                               |                                 |                                  |                                  |
| 3.            | Manufd. By                              |                                 |                                  |                                  |
| 4.            | Country of Origin                       | ITB                             | 2                                |                                  |
| 5.            | Bid Security                            | ITB                             | 15                               |                                  |
|               | 5.1 Form of Bid Security                |                                 |                                  |                                  |
|               | 5.2 Bank and Branch                     |                                 |                                  |                                  |
|               | 5.3 Expiry Date                         |                                 |                                  |                                  |

|     |                         |     |         |  |  |  |
|-----|-------------------------|-----|---------|--|--|--|
|     |                         |     |         |  |  |  |
|     | 5.4 Amount              |     |         |  |  |  |
| 6.  | Validity of Bid         | ITB | 16      |  |  |  |
| 7.  | Letter of Authorisation | ITB | 13.3(a) |  |  |  |
| 8.  | Bid Form                | ITB | 9.1     |  |  |  |
| 9.  | Exceptions to:          |     |         |  |  |  |
|     | Delivery;               | ITB | 26.5(b) |  |  |  |
|     | Payment Terms; and      | ITB | 26.5(c) |  |  |  |
|     | Others                  |     |         |  |  |  |
| 10. | Bid Currency            | ITB | 12      |  |  |  |
| 11. | Performance Statement   | ITB | 13.3(b) |  |  |  |

| <u>Sl. No.</u> | <u>Particulars and Clause Reference</u> | <u>Name of Bidder 1</u><br>..... | <u>Name of Bidder 2</u><br>..... | <u>Name of Bidder 3</u><br>..... |
|----------------|---|----------------------------------|----------------------------------|----------------------------------|
|----------------|---|----------------------------------|----------------------------------|----------------------------------|

|     |                                       |  |  |  |  |  |
|-----|---------------------------------------|--|--|--|--|--|
| 12. | Decision on Commercial Responsiveness |  |  |  |  |  |
|-----|---------------------------------------|--|--|--|--|--|

*Note: Add parameters as required to suit the item under procurement and as specified in your bidding document.*

Technical Evaluation of the Bids:

| <u>Sl. No.</u> | <u>Particulars</u> | <u>Technical Specifications Clause Reference</u> | <u>Name of Bidder 1</u> | <u>Name of Bidder 2</u> | <u>Name of Bidder 3</u> |
|----------------|--------------------|--|-------------------------|-------------------------|-------------------------|
|                |                    |  | .....                   | .....                   | .....                   |
| 1.             | Model No           |  |                         |                         |                         |
| 2.             | Mfd. By            |  |                         |                         |                         |
| 3.             | Model Type         |  |                         |                         |                         |
| 4.             |                    |  |                         |                         |                         |
| 5.             |                    |  |                         |                         |                         |
| 6.             |                    |  |                         |                         |                         |
| 7.             |                    |  |                         |                         |                         |
| 8.             |                    |  |                         |                         |                         |

|     |  |  |  |  |  |
|-----|--|--|--|--|--|
| 9.  |  |  |  |  |  |
| 10. |  |  |  |  |  |
| 11. |  |  |  |  |  |
| 12. |  |  |  |  |  |
| 13. |  |  |  |  |  |
| 14. | Decision on<br>Technical<br>Responsiveness |  |  |  |  |

- a) *List the mandatory and optional features which are checked and compared as detailed in your technical specifications to determine on conformity to technical specifications.*
- b) *This should also cover all deviations listed by bidder in response to Clause 14.3 (c) of ITB.*

**Brief details of Assumptions made in Evaluation**

a)

b)

c)

d)



**Comparative Statement of Responsive Offers**

| Items   | Price                  |                        |                        |
|---|------------------------|------------------------|------------------------|
|   | Bidder's Name<br>..... | Bidder's Name<br>..... | Bidder's Name<br>..... |
|   |                        |                        |                        |
| (Groups A and B separately)   |                        |                        |                        |
|   |                        |                        |                        |
| Cost per unit (in Rs.)  |                        |                        |                        |
| 1. <u>Ex-factory/ ex-showroom/ ex-warehouse or Off-the-Shelf prices</u> |                        |                        |                        |
| 2. <u>Excise duty (if quoted separately)</u>                            |                        |                        |                        |
| 3. <u>Packing &amp; forwarding charges</u>                              |                        |                        |                        |
| 4. <u>Inland freight</u>  |                        |                        |                        |
| 5. <u>Insurance</u>   |                        |                        |                        |
| 6. <u>Other charges, if any</u>   |                        |                        |                        |

|     |                                    |  |  |
|-----|------------------------------------|--|--|
|     |                                    |  |  |
|     | <b>TOTAL</b>                       |  |  |
| 7.  | Discounts, if any                  |  |  |
| 8.  | Total unit cost as quoted          |  |  |
| 9.  | No. to be supplied                 |  |  |
| 10. | Total cost as quoted               |  |  |
| 11. | Delivery period offered            |  |  |
| 12. | Delivery period loading            |  |  |
| 13. | Payment terms loading              |  |  |
| 14. | Other loadings                     |  |  |
| 15. | Total evaluated price with loading |  |  |
| 16. | Ranking                            |  |  |



**Post Qualification**

| <u>Criteria as specified in the bidding document*</u> | <u>Bidder 1</u> | <u>Bidder 2</u> | <u>Bidder 3</u> |
|---|-----------------|-----------------|-----------------|
| 1.  |                 |                 |                 |
| 2.  |                 |                 |                 |
| 3.  |                 |                 |                 |
| 4.  |                 |                 |                 |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|--|--|--|--|--|

*Note: 1(\*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.*

*2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.*

**Details of Recommended Offer**

Name of Bidder \_\_\_\_\_

| Sl. No. | Name of Item                           | Specification or Part No. | Unit | Qty. | Rate | Value |
|---------|--|---------------------------|------|------|------|-------|
| 1.      | Basic item                             |                           |      |      |      |       |
| 2.      | List of Tools                          |                           |      |      |      |       |
| 3.      | List of special accessories and spares |                           |      |      |      |       |
|         |  |                           |      |      |      |       |

|    |  |  |  |  |  |  |
|----|--|--|--|--|--|--|
| 4. | List of spares for 2- year maintenance |  |  |  |  |  |
| 5. |  |  |  |  |  |  |
|    | <b>Total Cost</b>                      |  |  |  |  |  |

**Letter of Acceptance**

(letterhead paper of the Employer)

\_\_\_\_\_ [date]

To:

\_\_\_\_\_ [name  
and address of the Contractor]

Dear Sirs,

This is to notify you that your Bid dated \_\_\_\_\_ for execution of the  
 \_\_\_\_\_ [name of the contract and identification number, as given in the Instructions to Bidders] for the  
 Contract Price of Rupees \_\_\_\_\_

\_\_\_\_\_ (\_\_\_\_\_) [amount in words and figures], as corrected and modified in accordance with the Instructions to Bidders 1 is hereby accepted by our Agency.

We note that as per bid, you do not intend to subcontract any component of work

[OR]

We note that as per bid, you propose to employ M/s. \_\_\_\_\_ as sub-contractor for executing \_\_\_\_\_

*[Delete whichever is not applicable].*

You are hereby requested to furnish Performance Security, plus additional security for unbalanced bids in terms of ITB Clause 29.5, in the form detailed in Para 34.1 of ITB for an amount of Rs. \_\_\_\_\_ within 21 days of the receipt of this letter of acceptance valid upto 28 days from the date of expiry of Defects Liability Period i.e. upto \_\_\_\_\_ and sign the contract, failing which action as stated in Para 34.3 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and Title of

Signatory

Name of Agency

**Issue of Notice to proceed with the work**

(letterhead of the Employer)



\_\_\_\_\_ (date)

To

\_\_\_\_\_ (name and address of the Contractor)

\_\_\_\_\_

\_\_\_\_\_

Dear Sirs:

Pursuant to your furnishing the requisite security as stipulated in ITB Clause 34.1 and signing of the contract agreement for the construction of \_\_\_\_\_ @ a Bid Price of Rs. \_\_\_\_\_, you are hereby instructed to proceed with the execution of the said works in accordance with the contract documents.

faithfully,

Yours

(Signature, name and title of  
signatory authorized to sign on  
behalf of Employer)

GOVERNMENT OF \_\_\_\_\_

\_\_\_\_\_ PROJECT

AGREEMENT NO. \_\_\_\_\_

**NATIONAL COMPETITIVE BIDDING**  
**(CIVIL WORKS COSTING US \$100,000 AND BELOW)**

NAME OF WORK : \_\_\_\_\_

PERIOD OF SALE OF BIDDING DOCUMENT : FROM \_\_\_\_\_  
TO \_\_\_\_\_

LAST DATE AND TIME FOR RECEIPT OF BIDS : DATE \_\_\_\_\_ TIME \_\_\_\_\_  
HOURS

\* TIME AND DATE OF OPENING OF BIDS : DATE \_\_\_\_\_ TIME \_\_\_\_\_  
HOURS

PLACE OF OPENING OF BIDS : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

OFFICER INVITING BIDS : \_\_\_\_\_

\* Should be the same as for the deadline for receipt of bids or promptly thereafter.

# **INVITATION FOR BID**

**(IFB)**

GOVERNMENT OF .....

.....PROJECT

INVITATIONS FOR BIDS (IFB)

**NATIONAL COMPETITIVE BIDDING**

Date:

Bid No.:

1. The Government of India has received a credit from the International Development Association / loan from the International Bank for Reconstruction & Development towards the cost of .....Project and intends a part of the funds to cover eligible payments under the contracts for construction of works as detailed below. Bidding is open to all bidders from eligible source countries as defined in the *IBRD Guidelines for Procurement*. Bidders from India should, however, be registered with the Government of ..... or other State Governments/Government of India, or State/Central Government Undertakings. **Bidders are advised to note the minimum qualification criteria specified in Clause 4 of the Instructions to Bidders to qualify for the award of the contract.**

2. The ..... invites bids for the construction of works detailed in the table. The bidders may submit bids for any or all of the following works, for the package or for any of the slices.

3. Bidding documents (and additional copies) may be purchased from the office of..... from .....to....., for a non-refundable fee (three sets) as indicated, in the form of cash or Demand Draft on any Scheduled bank payable at..... in favour of..... Interested bidders may obtain further information at the same address. Bidding documents requested by mail will be despatched by registered/speed post on payment of an extra amount of Rs..... The ..... will not be held responsible for the postal delay if any, in the delivery of the documents or non-receipt of the same.

4. Bids must be accompanied by security of the amount specified for the work in the table below, drawn in favour of..... Bid security will have to be in any one of the forms as specified in the bidding document and shall have to be valid for 45 days beyond the validity of the bid.

5. Bids must be delivered to..... on or before.....hours on ..... (date) and will be opened on the same day at.....hours, in the presence of the bidders who wish to attend. If the office happens to be closed on the date of receipt of the bids as specified, the bids will be received and opened on the next working day at the same time and venue.

6. Other details can be seen in the bidding documents.

**TABLE**

---

---

| <u>Package No.</u> | <u>Name of work</u> | <u>Approximate value of work (Rs.)</u> | <u>Bid security (Rs.)</u> | <u>Cost of document (Rs.)</u> | <u>Period of completion</u> |
|--------------------|---------------------|--|---------------------------|-------------------------------|-----------------------------|
| 1                  | 2                   | 3                                      | 4                         | 5                             | -                           |

---

---

Seal of office

**SECTION 1: INSTRUCTIONS TO BIDDERS**

**(ITB)**



## **Section 1: Instructions to Bidders**

### **Table of Clauses**

| <b>A. General No.</b>                 | <b>Page No.</b> | <b>D. Submission of Bids</b>                                | <b>Page</b> |
|---------------------------------------|-----------------|---|-------------|
| 1. Scope of Bid                       | 7               | 19. Sealing and Marking of Bids                             | 13          |
| 2. Source of Funds                    | 7               | 20. Deadline for Submission of Bids                         | 13          |
| 3. Eligible Bidders                   | 7               | 21. Late Bids   | 14          |
| 4. Qualification of the Bidder        | 7               | 22. Modification and Withdrawal of Bids                     | 14          |
| 5. One Bid per Bidder                 | 9               |   |             |
| 6. Cost of Bidding                    | 10              |   |             |
| 7. Site Visit                         | 10              |   |             |
| <b>B. Bidding Documents</b>           |                 | <b>E. Bid Opening and Evaluation</b>                        |             |
| 8. Content of Bidding Documents       | 10              | 23. Bid Opening   | 14          |
| 9. Clarification of Bidding Documents | 14              | 24. Process to be   |             |
| 10. Amendment of Bidding Documents    | 15              | 25. Clarification of  |             |
|                                       |                 | 26. Examination of Bids and Determination of Responsiveness | 15          |
|                                       |                 | 27. Correction of Errors                                    | 15          |
| <b>C. Preparation of Bids</b>         |                 | 28. Currency for Bid Evaluation                             |             |
|                                       |                 | 29. Evaluation and Comparison of Bids                       | 16          |
| 11. Language of Bid                   | 11              | 30. Preference for Domestic Bidders                         |             |

|     |                                  |    |   |    |
|-----|----------------------------------|----|---|----|
| 12. | Documents Comprising the Bid     | 11 |   |    |
| 13. | Bid Prices                       | 11 | <b>F. Award of Contract</b>   |    |
| 14. | Currencies of Bid and Payment    | 11 |   |    |
| 15. | Bid Validity                     | 11 | 31. Award Criteria  | 16 |
| 16. | Bid Security                     | 12 | 32. Employer's Right to Accept any Bid<br>and to Reject any or all Bids | 16 |
| 17. | Alternative Proposals by Bidders | 12 | 33. Notification of Award   | 16 |
| 18. | Format and Signing of Bid        | 13 | 34. Performance Security  | 17 |
|     |                                  |    | 35. Advance Payment and Security  |    |
|     |                                  |    | 36. Adjudicator   |    |
|     |                                  |    | 37. Corrupt or Fraudulent Practices                                     | 17 |

## **A. General**

### **1. Scope of Bid**

- 1.1 The ..... (referred to as Employer in these documents) invites bids for the construction of works (as defined in these documents and referred to as "the works") detailed in the table given in the Invitation for Bids (IFB). The bidders may submit bids for any or all of the works detailed in the table given in IFB.
- 1.2 The successful bidder will be expected to complete the works by the intended completion date specified in the Contract data.

### **2. Source of Funds**

- 2.1 The Government of India has received a loan/credit from the International Bank for Reconstruction and Development/the International Development Association (hereinafter interchangeably called "the Bank") towards the cost of.....Project and intends to apply a part of the funds to cover eligible payments under the contract for the Works. Payments by the Bank will be made only at the request of the borrower and upon approval of the Bank in accordance with the *Loan/Credit Agreement*, and will be subject in all respects to the terms and conditions of that Agreement. Except as the Bank may specifically otherwise agree, no party other than the borrower shall derive any rights from the *Loan/Credit Agreement* or have any rights to the loan/credit proceeds.
- 2.2 The loan agreement prohibits a withdrawal from the loan account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council, taken under Chapter VII of the Charter of the United Nations.

### **3. Eligible Bidders**

- 3.1 This *Invitation for Bids* is open to all bidders from the eligible countries as defined under the *IBRD Guidelines for Procurement*. Any materials, equipment, and services to be used in the performance of the Contract shall have their origin in the eligible source countries.
- 3.2 All bidders shall provide in Section 2, Forms of Bid and Qualification Information, a statement that the Bidder is not associated, nor has been associated in the past, directly or indirectly, with the Consultant or any other entity that has prepared the design, specifications, and other documents for the Project or being proposed as Project Manager for the Contract. A firm that has been engaged by the Borrower to provide consulting services for the preparation or supervision of the works, and any of its affiliates, shall not be eligible to bid.

- 3.3** Government-owned enterprises in the Employer's country may only participate if they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the Borrower or Sub-borrower.
- 3.4** Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the Bank in accordance with sub-clause 37.1.

#### **4. Qualification of the Bidder**

- 4.1** All bidders shall provide in Section 2, Forms of Bid and Qualification Information, a preliminary description of the proposed work method and schedule, including drawings and charts, as necessary.
- 4.2** In the event that Pre-qualification of potential bidders has been undertaken, only bids from prequalified bidders will be considered for award for Contract. These qualified bidders should submit with their bids any information updating their original prequalification applications or, alternatively, confirm in their bids that the originally submitted prequalification information remains essentially correct as of date of bid submission. The update or confirmation should be provided in Section 2.
- 4.3** If the Employer has not undertaken prequalification of potential bidders, all bidders shall include the following information and documents with their bids in Section 2:
- (a) copies of original documents defining the constitution or legal status, place of registration, and principal place of business; written power of attorney of the signatory of the Bid to commit the Bidder;
  - (b) total monetary value of construction work performed for each of the last five years;
  - (c) experience in works of a similar nature and size for each of the last five years, and details of works under way or contractually committed; and clients who may be contacted for further information on those contracts;
  - (d) major items of construction equipment proposed to carry out the Contract;
  - (e) qualifications and experience of key site management and technical personnel proposed for the Contract;

(f) reports on the financial standing of the Bidder, such as profit and loss statements and auditor's reports for the past five years;

(g) evidence of adequacy of working capital for this contract (access to line (s) of credit and availability of other financial resources);

(h) authority to seek references from the Bidder's bankers;

(i) information regarding any litigation or arbitration resulting from contracts executed by the Bidder in the last five years or currently under execution. The information shall include the names of the parties concerned, the disputed amount, cause of litigation, and matter in dispute; and

(j) proposals for subcontracting components of the Works which in aggregate add to more than 20 percent of the Contract Price [*for each, the qualifications and experience of the identified sub-contractor in the relevant field should be annexed; no vertical splitting of work for sub-contracting is acceptable*].

4.4 Bids from Joint ventures are not acceptable.

4.5 A. To qualify for award of the contract, each bidder in its name should have in the last five years:

i.e.....\*

(a) achieved, in at least two financial years, a minimum annual financial turnover (in all classes of civil engineering construction works only) of Rs..... @ (*usually not less than two times the estimated annual payments under the contract*);

(b) satisfactorily completed (not less than 90% of contract value), as a prime contractor, at least **one similar work** of value not less than Rs..... @ (*usually not less than 80% of estimated value of contract*);

(c) deleted;

(d) The contractor or his identified sub-contractor should possess required valid electrical license for executing the building electrification works and should have executed similar electrical works totalling Rupees .....@\*\* in any one year.

(e) The contractor or his identified sub-contractor should possess required valid license for executing the water supply/sanitary engineering works and should have executed similar water

supply/sanitary engineering works totalling Rupees .....@\*\* in any one year.

@ at \_\_\_\_\_\* price level. Financial turnover and cost of completed works of previous years shall be given weightage of 5% per year based on rupee value to bring them to \_\_\_\_\_\* price level.

4.5 B. Deleted.

4.5 C. **To qualify for a package of contracts made up of this and other contracts for which bids are invited in the IFB**, the bidder must demonstrate having experience and resources sufficient to meet the aggregate of the qualifying criteria for the individual contracts.

4.6 Sub-contractors' experience and resources shall not be taken into account in determining the bidder's compliance with the qualifying criteria except to the extent stated in para 4.5 (A) above.

4.7 Bidders who meet the minimum qualification criteria will be qualified only if their available bid capacity is more than the total bid value. The available bid capacity will be calculated as under:

$$\text{Assessed Available Bid capacity} = (A * N * 1.5 - B)$$

where

A = Maximum value of civil engineering works executed in any one year during the last five years (updated to \_\_\_\_\_\* price level) taking into account the completed as well as works in progress.

N = Number of years prescribed for completion of the works for which bids are invited.

B = Value, at \_\_\_\_\_\* price level, of existing commitments and on-going works to be completed during the next.....years (period of completion of the works for which bids are invited)

**Note:** *The statements showing the value of existing commitments and on-going works as well as the stipulated period of completion remaining for each of the works listed should be countersigned by the Engineer in charge, not below the rank of an Executive Engineer or equivalent.*

4.8 Even though the bidders meet the above qualifying criteria, they are subject to be disqualified if they have:

- made misleading or false representations in the forms, statements and attachments submitted in proof of the qualification requirements; and/or

- record of poor performance such as abandoning the works, not properly completing the contract, inordinate delays in completion, litigation history, or financial failures etc.; and/or

- participated in the previous bidding for the same work and had quoted unreasonably high bid prices and could not furnish rational justification to the employer.

## **5. One Bid per Bidder**

**5.1** Each bidder shall submit only one bid for one contract. A bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.

## **6. Cost of Bidding**

**6.1** The bidder shall bear all costs associated with the preparation and submission of his Bid, and the Employer will in no case be responsible and liable for those costs.

## **7. Site visit**

**7.1** The Bidder, at the Bidder's own responsibility and risk is encouraged to visit and examine the Site of Works and its surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.

# **B. Bidding Documents**

## **8. Content of Bidding Documents**

**8.1** The set of bidding documents comprises the documents listed in the table below and addenda issued in accordance with Clause 10:

|         |   |  |
|---------|---|--|
|         |   | Invitation for Bids                        |
| Section | 1 | Instructions to Bidders                    |
|         | 2 | Forms of Bid and Qualification Information |
|         | 3 | Conditions of Contract                     |
|         | 4 | Contract Data                              |
|         | 5 | Specifications                             |
|         | 6 | Drawings                                   |
|         | 7 | Bill of Quantities                         |
|         | 8 | Forms of Securities                        |

**8.2** Of the three sets of the bidding documents supplied, two sets should be completed and returned with the bid.

## **9. Clarification of Bidding Documents**

**9.1** A prospective bidder requiring any clarification of the bidding documents may notify the Employer in writing or by cable (hereinafter "cable" includes telex and facsimile) at the Employer's address indicated in the invitation to bid. The Employer will respond to any request for clarification which he received earlier than 15 days prior to the deadline for submission of bids. Copies of the Employer's response will be forwarded to all purchasers of the bidding documents, including a



description of the enquiry but without identifying its source.

## **10. Amendment of Bidding Documents**

**10.1** Before the deadline for submission of bids, the Employer may modify the bidding documents by issuing addenda.

**10.2** Any addendum thus issued shall be part of the bidding documents and shall be communicated in writing or by cable to all the purchasers of the bidding documents. Prospective bidders shall acknowledge receipt of each addendum by cable to the Employer.

**10.3** To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer shall extend as necessary the deadline for submission of bids, in accordance with Sub-Clause 20.2 below.

## **C. Preparation of Bids**

### **11. Language of the Bid**

**11.1** All documents relating to the bid shall be in the English language.

### **12. Documents comprising the Bid**

**12.1** The bid submitted by the bidder shall comprise the following:

- (a) The Bid (in the format indicated in Section 2).
- (b) Bid Security;
- (c) Priced Bill of Quantities;
- (d) Qualification Information Form and Documents;

and any other materials required to be completed and submitted by bidders in accordance with these instructions. The documents listed under Sections 2, 4 and 7 of Sub-Clause 8.1 shall be filled in without exception.

**12.2** Bidders bidding for this contract together with other contracts stated in the IFB to form a package will so indicate in the bid together with any documents offered for the award of more than one contract.

### **13. Bid Prices**

**13.1** The contract shall be for the whole works as described in Sub-Clause 1.1, based on the priced Bill of Quantities submitted by the Bidder.

**13.2** The bidder shall fill in rates and prices and line item total (both in figures and words) for all items of the Works described in the Bill of Quantities alongwith total bid price (both in figures and words). *Items for which no rate or price is entered by the bidder will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities.* Corrections, if any, shall be made by crossing out, initialing, dating and rewriting.

**13.3** All duties, taxes, and other levies payable by the contractor under the contract, or for any other cause, shall be included in the rates, prices and total Bid Price submitted by the Bidder.

**13.4** The rates and prices quoted by the bidder shall be fixed for the duration of the Contract and shall not be subject to adjustment on any account.

### **14. Currencies of Bid and Payment**

**14.1** The unit rates and the prices shall be quoted by the bidder entirely in Indian Rupees.

### **15. Bid Validity**

**15.1** Bids shall remain valid for a period not less than ninety days after the deadline date for bid submission specified in Clause 20. A bid valid for a shorter period shall be rejected by the Employer as non-responsive.

**15.2** In exceptional circumstances, prior to expiry of the original time limit, the Employer may request that the bidders may extend the period of validity for a specified additional period. The request and the bidders' responses shall be made in writing or by cable. A bidder may refuse the request without forfeiting his bid security. A bidder agreeing to the request will not be required or permitted to modify his bid except as provided in 15.3 hereinafter, but will be required to extend the validity of his bid security for a period of the extension, and in compliance with Clause 16 in all respects.

**15.3** In the case of contracts in which the Contract Price is fixed (not subject to price adjustment), in the event that the purchaser requests and the Bidder agrees to an extension of the validity period, the contract price, if the Bidder is selected for award shall be the bid price corrected as follows:

The price shall be increased by the factor (value of factor B)1 for each week or part of a week that has elapsed from the expiration of the initial bid validity to the date of issue of letter of acceptance to the successful Bidder.

**15.4** Bid evaluation will be based on the bid prices without taking into consideration the above correction.

**16. Bid Security**

**16.1** The Bidder shall furnish, as part of his Bid, a Bid security in the amount as shown in column 4 of the table of IFB for this particular work. This bid security shall be in favour of ..... and may be in one of the following forms:

- a bank guarantee issued by a nationalized / Scheduled Bank located in India or a reputable Bank located abroad in the form given in Section 8; or
- Certified cheque/ Bank draft/Letter of credit, in favour of ..... payable at .....
- .....
- .....

**16.2** Bank guarantees issued as surety for the bid shall be valid for 45 days beyond the validity of the bid.

**16.3** Any bid not accompanied by an acceptable Bid Security and not secured as indicated in Sub-Clauses 16.1 and 16.2 above shall be rejected by the Employer as non-responsive.

**16.4** The Bid Security of unsuccessful bidders will be returned within 28 days of the end of the bid validity period specified in Sub-Clause 15.1.

**16.5** The Bid Security of the successful bidder will be discharged when the bidder has signed the Agreement and furnished the required Performance Security.

**16.6** The Bid Security may be forfeited

- (a) if the Bidder withdraws the Bid after Bid opening during the period of Bid validity;
- (b) if the Bidder does not accept the correction of the Bid Price, pursuant to Clause 27; or
- (c) in the case of a successful Bidder, if the Bidder fails within the specified time limit to
  - (i) sign the Agreement; or
  - (ii) furnish the required Performance Security.

## **17. Alternative Proposals by Bidders**

**17.1** Bidders shall submit offers that comply with the requirements of the bidding documents, including the basic technical design as indicated in the drawing and specifications. Alternatives will not be considered.

## **18. Format and Signing of Bid**

**18.1** The Bidder shall prepare one original and a copy of the documents comprising the bid as described in Clause 12 of these *Instructions to Bidders*, bound with the volume containing the Form of Bid, and clearly marked "**ORIGINAL**" and "**COPY**" as appropriate. In the event of discrepancy between them, the original shall prevail.

**18.2** The original and a copy of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to Sub-Clauses 4.3. All pages of the bid where entries or amendments have been made shall be initialed by the person or persons signing the bid.

**18.3** The Bid shall contain no alterations or additions, except those to comply with instructions issued by the Employer, or as necessary to correct errors made by the bidder, in which case such corrections shall be initialed by the person or persons signing the bid.

**18.4** The Bidder shall furnish information as described in the Form of Bid on commissions or gratuities, if any, paid or to be paid to agents relating to this Bid, and to contract execution if the Bidder is awarded the contract

## **D. Submission of Bids**

**19. Sealing and Marking of Bids**

**19.1** The Bidder shall seal the original and a copy of the Bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". These envelopes (called as inner envelopes) shall then be put inside one outer envelope.

**19.2** The **inner and outer** envelopes shall

(a) be addressed to the Employer at the following address:

.....

.....

(insert address of office for bid submission), and

(b) bear the following identification:

- Bid for .....[name of contract]
- Bid Reference No.....[insert number]
- DO NOT OPEN BEFORE.....[time and date for bid opening, per Clause 23]

**19.3** In addition to the identification required in Sub-Clause 19.2, the inner envelopes shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is declared late, pursuant to Clause 21.

**19.4** If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the bid.

**20. Deadline for Submission of the Bids**

**20.1** Bids must be received by the Employer at the address specified above no later than.....\*. In the event of the specified date for the submission of bids being declared a holiday for the Employer, the Bids will be received upto the appointed time on the next working day.

**20.2** The Employer may extend the deadline for submission of bids by issuing an amendment in accordance with Clause 10, in which case all rights and obligations of the Employer and the bidders

previously subject to the original deadline will then be subject to the new deadline.

## **21. Late Bids**

**21.1** Any Bid received by the Employer after the deadline prescribed in Clause 20 will be returned unopened to the bidder.

## **22. Modification and Withdrawal of Bids**

**22.1** Bidders may modify or withdraw their bids by giving notice in writing before the deadline prescribed in Clause 20.

**22.2** Each Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with Clause 18 & 19, with the outer and inner envelopes additionally marked "**MODIFICATION**" or "**WITHDRAWAL**", as appropriate.

**22.3** No bid may be modified after the deadline for submission of Bids.

**22.4** Withdrawal or modification of a Bid between the deadline for submission of bids and the expiration of the original period of bid validity specified in Clause 15.1 above or as extended pursuant to Clause 15.2 may result in the forfeiture of the Bid security pursuant to Clause 16.

**22.5** Bidders may offer discounts to, or modify the prices of their Bids only by submitting Bid modifications in accordance with this clause, or included in the original Bid submission.

## **E. Bid Opening and Evaluation**

### **23. Bid Opening**

**23.1** The Employer will open all the Bids received (except those received late), including modifications made pursuant to Clause 22, in the presence of the Bidders or their representatives who choose to attend at ..... hours on the date and the place specified in Clause 20. In the event of the specified date of Bid opening being declared a holiday for the Employer, the Bids will be opened at the appointed time and location on the next working day.

**23.2** Envelopes marked "**WITHDRAWAL**" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to Clause 22 shall not be opened. Subsequently all envelopes marked "Modification" shall be opened and the submissions therein read out in appropriate detail.

**23.3** The Bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid modifications and withdrawals, the presence or absence of Bid security, and such other details as the Employer may consider appropriate, will be announced by the Employer at the opening. No bid shall be rejected at bid opening except for the late bids pursuant to Clause 21. Bids [and modifications] sent pursuant to Clause 22 that are not opened and read out at bid opening will not be considered for further evaluation regardless of circumstances. Late and withdrawn bids will be returned un-opened to bidders.

**23.4** The Employer shall prepare minutes of the Bid opening, including the information disclosed to those present in accordance with Sub-Clause 23.3.

## **24. Process to Be Confidential**

**24.1** Information relating to the examination, clarification, evaluation, and comparison of Bids and recommendations for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced. Any effort by a Bidder to influence the Employer's processing of Bids or award decisions may result in the rejection of his Bid.

## **25. Clarification of Bids**

**25.1** To assist in the examination, evaluation, and comparison of Bids, the Employer may, at his discretion, ask any Bidder for clarification of his Bid, including breakdowns of unit rates. The request for clarification and the response shall be in writing or by cable, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Bids in accordance with Clause 27.

**25.2** Subject to sub-clause 25.1, no Bidder shall contact the Employer on any matter relating to its bid from the time of the bid opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the Employer, it should do so in writing.

**25.3** Any effort by the Bidder to influence the Employer in the Employer's bid evaluation, bid comparison or contract award decisions may result in the rejection of the Bidders' bid.

## **26. Examination of Bids and Determination of Responsiveness**

**26.1** Prior to the detailed evaluation of Bids, the Employer will determine whether each Bid (a) meets the eligibility criteria defined in Clause 3; (b) has been properly signed; (c) is accompanied by the required securities and; (d) is substantially responsive to the requirements of the Bidding documents.

**26.2** A substantially responsive Bid is one which conforms to all the terms, conditions, and specifications of the Bidding documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the Works; (b) which limits in any substantial way, inconsistent with the Bidding documents, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive Bids.

**26.3** If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

## **27. Correction of Errors**

**27.1** Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

- (a) where there is a discrepancy between the rates in figures and in words, the rate in words will govern; and
- (b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

**27.2** The amount stated in the Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount the Bid will be rejected, and the Bid security may be forfeited in accordance with Sub-Clause 16.6 (b).

## **28. Deleted**

## **29. Evaluation and Comparison of Bids**

**29.1** The Employer will evaluate and compare only the Bids determined to be substantially responsive in accordance with Clause 26.



**29.2** In evaluating the Bids, the Employer will determine for each Bid the evaluated Bid Price by adjusting the Bid Price as follows:

- (a) making any correction for errors pursuant to Clause 27; or
- (b) making an appropriate adjustments for any other acceptable variations, deviations; and
- (c) making appropriate adjustments to reflect discounts or other price modifications offered in accordance with Sub Clause 22.5.

**29.3** The Employer reserves the right to accept or reject any variation, deviation, or alternative offer. Variations, deviations, and alternative offers and other factors which are in excess of the requirements of the Bidding documents or otherwise result in unsolicited benefits for the Employer shall not be taken into account in Bid evaluation.

**29.4** The estimated effect of the price adjustment conditions under Clause 47 of the *Conditions of Contract*, during the period of implementation of the Contract, will not be taken into account in Bid evaluation.

**29.5** If the Bid of the successful Bidder is seriously unbalanced in relation to the Engineer's estimate of the cost of work to be performed under the contract, the Employer may require the Bidder to produce detailed price analyses for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, the Employer may require that the amount of the performance security set forth in Clause 34 be increased at the expense of the successful Bidder to a level sufficient to protect the Employer against financial loss in the event of default of the successful Bidder under the Contract.

**30. Deleted**

## **F. Award of Contract**

**31. Award Criteria**

**31.1** Subject to Clause 32, the Employer will award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the Bidding documents and who has offered the lowest evaluated Bid Price, provided that such Bidder has been determined to be (a) eligible in accordance with the provisions of Clause 3, and (b) qualified in accordance with the provisions of Clause 4.

**31.2** If, pursuant to Clause 12.2 this contract is being let alongwith other contracts, the lowest evaluated Bid Price will be determined when evaluating this contract in conjunction with other contracts to be awarded concurrently, taking into account any discounts offered by the bidders for the award of more than one contract.

## **32. Employer's Right to Accept any Bid and to Reject any or all Bids**

**32.1** Notwithstanding Clause 31, the Employer reserves the right to accept or reject any Bid, and to cancel the Bidding process and reject all Bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for the Employer's action.

## **33. Notification of Award and Signing of Agreement**

**33.1** The Bidder whose Bid has been accepted will be notified of the award by the Employer prior to expiration of the Bid validity period by cable, telex or facsimile confirmed by registered letter. This letter (hereinafter and in the *Conditions of Contract* called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price").

**33.2** The notification of award will constitute the formation of the Contract, subject only to the furnishing of a performance security in accordance with the provisions of Clause 34.

**33.3** The Agreement will incorporate all agreements between the Employer and the successful Bidder. It will be signed by the Employer and sent to the successful Bidder, or kept ready for signature of the successful bidder in the office of employer (*choose one alternative*) within 28 days following the notification of award along with the Letter of Acceptance. Within 21 days of receipt, the successful Bidder will sign the Agreement and deliver it to the Employer.

**33.4** Upon the furnishing by the successful Bidder of the Performance Security, the Employer will promptly notify the other Bidders that their Bids have been unsuccessful.

## **34. Performance Security**

**34.1** Within 21 days of receipt of the Letter of Acceptance, the successful Bidder shall deliver to the Employer a Performance Security in any of the forms given below for an amount equivalent to 5% of the Contract price plus additional security for unbalanced Bids in accordance with Clause 29.5 of ITB

and Clause 52 of Conditions of Contract :

- a bank guarantee in the form given in Section 8; or
- Certified cheque/Bank draft, in favour of ..... payable at .....
- \_\_\_\_\_

**34.2** If the performance security is provided by the successful Bidder in the form of a Bank Guarantee, it shall be issued either (a) at the Bidder's option, by a Nationalized/Scheduled Indian bank or (b) by a foreign bank located in India and acceptable to the Employer .

**34.3** Failure of the successful bidder to comply with the requirements of sub-clause 34.1 shall constitute a breach of contract, cause for annulment of the award, forfeiture of the bid security, and any such other remedy the Employer may take under the contract, and the Employer may resort to awarding the contract to the next ranked bidder..

**35 Advance Payment and Security (deleted)**

**36. Adjudicator (deleted)**

**37. Corrupt or Fraudulent Practices**

**37.1** The Bank requires that Borrowers (including beneficiaries of Bank loans), as well as Bidders, Suppliers, Contractors, and Consultants under Bank-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) “corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;
  - (ii) “fraudulent practice” means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;
  - (iii) “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the borrower, designed to establish bid prices at artificial, non competitive levels; and
  - (iv) “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement

process or affect the execution of a contract;

- (b) will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question;
- (c) will cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of the loan engaged in corrupt, fraudulent, collusive or coercive practices during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to remedy the situation;
- (d) will sanction a firm or individual, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if it at any time determines that they have, directly or through an agent, engaged, in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Bank-financed contract; and
- (e) will have the right to require that a provision be included in Bidding Documents and in contracts financed by a Bank loan, requiring Bidders, Suppliers, Contractors and Consultants to permit the Bank to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by the Bank.

**37.2** Furthermore, Bidders shall be aware of the provision stated in sub-clause 59.2 of the Conditions of Contract.

**SECTION 2:                      FORMS OF BID, QUALIFICATION INFORMATION  
AND LETTER OF ACCEPTANCE**

**TABLE OF FORMS:**

- **CONTRACTOR'S BID**
  
- **QUALIFICATION INFORMATION**
  
- **LETTER OF ACCEPTANCE**
  
- **NOTICE TO PROCEED WITH THE WORK**
  
- **AGREEMENT FORM**

**Contractor's Bid**

Description of the Works: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ [9]

**BID**

To : \_\_\_\_\_ [the Employer]

Address : \_\_\_\_\_  
\_\_\_\_\_ [10]

GENTLEMEN,

Having examined the bidding documents including addendum, we offer to execute the Works described above in accordance with the Conditions of Contract, Specifications, Drawings and Bill of Quantities accompanying this Bid for the Contract Price of \_\_\_\_\_ [in figures]  
( \_\_\_\_\_ ) [in letters]. [11]

This Bid and your written acceptance of it shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

We also undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below :

| <u>Name and address of agent</u> | <u>Amount</u> | <u>Purpose of Commission or gratuity</u> |
|----------------------------------|---------------|--|
| _____                            | _____         | _____                                    |

\_\_\_\_\_  
\_\_\_\_\_

(if none, state “none”)

We hereby confirm that this Bid complies with the Eligibility, Bid Validity and Bid Security required by the Bidding documents.

Yours faithfully,

Authorized Signature:

Name & Title of Signatory:

\_\_\_\_\_

Name of Bidder :

\_\_\_\_\_

### **Qualification Information**

The information to be filled in by the Bidder in the following pages will be used for purposes of postqualification as provided for in Clause 4 of the Instructions to Bidders. This information will not be incorporated in the Contract.

#### **1. For Individual Bidders**

##### **1.1 Constitution or legal status of Bidder**

***[Attach copy]***

Place of registration: \_\_\_\_\_

Principal place of business: \_\_\_\_\_

Power of attorney of signatory of Bid

*[Attach copy]*

1.2 Total value of Civil Engineering construction 19-----19 \_\_\_\_\_ β  
work executed and payments received in the last five years\*\* 19-----19 \_\_\_\_\_  
(in Rs. Million) 2000-2001 \_\_\_\_\_  
2001-2002 \_\_\_\_\_  
2002-2003 \_\_\_\_\_

1.3 Work performed as prime contractor (in the same name) on works of a similar nature over the last five years.\*\*

\_\_\_\_\_

---

| <u>Project Name</u> | <u>Name of Employer</u> | <u>Description of work</u> | <u>Contract No.</u> | <u>Value of contract (Rs. Million)</u> | <u>Date of issue of work order</u> | <u>Stipulated period of completion</u> | <u>Actual date of completion</u> | <u>Remarks explaining reasons for delay and work completed</u> |
|---------------------|-------------------------|----------------------------|---------------------|--|------------------------------------|--|----------------------------------|--|
|---------------------|-------------------------|----------------------------|---------------------|--|------------------------------------|--|----------------------------------|--|

---

\_\_\_\_\_

---

\_\_\_\_\_

1.4 Information on Bid Capacity (works for which bids have been submitted and works which are yet to be completed) as on the date of this bid.



---

\* *Attach certificate(s) from Engineer(s)-in-charge*

\*\* *Immediately preceding the financial year in which bids are received.*

*β Attach certificate from Chartered Accountant*

(A) Existing commitments and on-going works:

---

| Description<br>of<br>Work | Place<br>&<br>State | Anticipated<br>& Date | Contract No.<br>and<br>Address<br>of Employer | Name<br>Contract<br>(Rs. million) | Value of<br>period of<br>completion | Stipulated<br>remaining to be<br>completed<br>(Rs. million) | Value of<br>date of<br>completion |
|---------------------------|---------------------|-----------------------|---|-----------------------------------|-------------------------------------|---|-----------------------------------|
| (1)                       | (2)                 | (3)                   | (4)   | (5)                               | (6)                                 | (7)   | (8)                               |

---

---

(B) Works for which bids already submitted:

---

---

| Description of Work<br>(1) | Place & State<br>(2) | Name and Address of Employer<br>(3) | Estimated value of works (Rs. million)<br>(4) | Stipulated period of completion<br>(5) | Date when decision is expected<br>(6) | Remarks if any<br>(7) |
|----------------------------|----------------------|-------------------------------------|---|--|---------------------------------------|-----------------------|
|----------------------------|----------------------|-------------------------------------|---|--|---------------------------------------|-----------------------|

\* *Attach certificate(s) from the Engineer(s)-in-Charge.*

1.5 Proposed subcontracts and firms involved. [Refer ITB Clause 4.3 (j)]

| Sections of the works | Value of Sub-contract | Sub-contractor (name and address) | Experience in similar work |
|-----------------------|-----------------------|-----------------------------------|----------------------------|
| *                     | *                     | *                                 | *                          |
|                       | *                     | *                                 |                            |
| *                     | *                     | *                                 | *                          |
|                       | *                     | *                                 |                            |
| *                     | *                     | *                                 | *                          |
|                       | *                     | *                                 |                            |

1.6 Financial reports for the last five years: balance sheets, profit and loss statements, auditors' reports (in case of companies/corporation), etc. List them below and attach copies.

1.7 Deleted.

1.8. Name, address, and telephone, telex, and fax numbers of the Bidders' bankers who may provide references if contacted by the Employer.

1.9 Information on litigation history in which the Bidder is involved.

---

| <u>Other party(ies)</u> | <u>Employer</u> | <u>Cause of dispute</u> | <u>Amount involved</u> | <u>Remarks showing present status</u> |
|-------------------------|-----------------|-------------------------|------------------------|---------------------------------------|
|-------------------------|-----------------|-------------------------|------------------------|---------------------------------------|

---

1.10 Statement of compliance under the requirements of Sub Clause 3.2 of the instructions to Bidders.

---

---

---

---

---

---

**Letter of Acceptance**  
**(letterhead paper of the Employer)**

\_\_\_\_\_ [date]

To: \_\_\_\_\_ [name  
and address of the Contractor]

Dear Sirs,

This is to notify you that your Bid dated \_\_\_\_\_ for execution of the  
\_\_\_\_\_ [name of the contract and identification number, as given in the Instructions to Bidders] for the  
Contract Price of Rupees \_\_\_\_\_  
\_\_\_\_\_ (\_\_\_\_\_) [amount in  
words and figures], as corrected and modified in accordance with the Instructions to Bidders 1 is hereby  
accepted by our Agency.

We note that as per bid, you do not intend to subcontract any component of work

[OR]

We note that as per bid, you propose to employ M/s. .... as sub-  
contractor for executing .....

*[Delete whichever is not applicable].*

You are hereby requested to furnish Performance Security, plus additional security for unbalanced bids in terms of ITB Clause 29.5, in the form detailed in Para 34.1 of ITB for an amount of Rs. \_\_\_\_\_ within 21 days of the receipt of this letter of acceptance valid upto 28 days from the date of expiry of Defects Liability Period i.e. upto ..... and sign the contract, failing which action as stated in Para 34.3 of ITB will be taken.

Yours faithfully,

Authorized Signature

Name and Title of Signatory

Name of Agency

**Issue of Notice to proceed with the work**

(letterhead of the Employer)

\_\_\_\_\_ (date)

To

\_\_\_\_\_ (name and address of the Contractor)

\_\_\_\_\_

\_\_\_\_\_

Dear Sirs:

Pursuant to your furnishing the requisite security as stipulated in ITB Clause 34.1 and signing of the contract agreement for the construction of \_\_\_\_\_ @ a Bid Price of Rs. \_\_\_\_\_, you are hereby instructed to proceed with the execution of the said works in accordance with the contract documents.

Yours faithfully,

(Signature, name and title of  
signatory authorized to sign on  
behalf of Employer)

## Agreement Form

### Agreement

This agreement, made the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_,  
between \_\_\_\_\_

\_\_\_\_\_ [name and address of Employer]

(hereinafter called “the Employer”) of the one part and

\_\_\_\_\_ [name and address of  
contractor] (hereinafter called “the Contractor”) of the other part.

Whereas the Employer is desirous that the Contractor execute \_\_\_\_\_

\_\_\_\_\_ [ name and identification number of Contract] (hereinafter called “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein at a contract price of Rupees.....

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expression shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.
2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all aspects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying the defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
4. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz:
  - i) Letter of Acceptance;
  - ii) Notice to proceed with the works;

- iii) Contractor's Bid;
- iv) Contract Data;
- v) Conditions of contract (including Special Conditions of Contract);
- vi) Specifications;
- vii) Drawings;
- viii) Bill of Quantities; and
- ix) Any other document listed in the Contract Data as forming part of the contract.



In witness whereof the parties thereto have caused this Agreement to be executed the day and year first before written.

The Common Seal of \_\_\_\_\_

was hereunto affixed in the presence of:

Signed,            Sealed            and            Delivered            by            the            said

\_\_\_\_\_

\_\_\_\_\_

—

in the presence of:

Binding Signature of Employer

\_\_\_\_\_

Binding Signature of Contractor

\_\_\_\_\_

**SECTION 3: CONDITIONS OF CONTRACT**

## Conditions of Contract

### Table of Contents

| A.  | <u>General</u>                         | <u>Page No.</u> | C.        | <u>Quality Control</u>    | <u>Page No.</u> |
|-----|--|-----------------|-----------|---------------------------|-----------------|
| 1.  | Definitions                            | 31              | 33.       | Identifying Defects       | 37              |
| 2.  | Interpretation                         | 32              | 34.       | Tests                     | 37              |
| 3.  | Language and Law                       | 33              | 35.       | Correction of Defects     | 38              |
| 4.  | Engineer's Decisions                   | 33              | 36.       | Uncorrected Defects       | 38              |
| 5.  | Delegation                             | 33              |           |                           |                 |
| 6.  | Communications                         | 33              |           |                           |                 |
| 7.  | Subcontracting                         | 33              | <b>D.</b> | <b>Cost Control</b>       |                 |
| 8.  | Other Contractors                      | 33              | 37.       | Bill of Quantities        | 38              |
| 9.  | Personnel                              | 33              | 38.       | Changes in the Quantities | 38              |
| 10. | Employer's & Contractor's<br>Risks     | 34              | 39.       | Variations                | 38              |
| 11. | Employer's Risks                       | 34              | 40.       | Payments for Variations   | 38              |
| 12. | Contractor's Risks                     | 34              | 41.       | Cash Flow Forecasts       | 39              |
| 13. | Insurance                              | 34              | 42.       | Payment Certificates      | 39              |
| 14. | Site Investigation<br>Payments         | 39              | Reports   | 34                        | 43.             |
| 15. | Queries about the Contract<br>Events   | 39              | 35        | 44.                       | Compensation    |
|     | Data                                   |                 | 45.       | Tax                       | 41              |
| 16. | Contractor to Construct<br>Currencies  | 41              | the       | 35                        | 46.             |
|     | Works                                  |                 | 47.       | Price Adjustments         |                 |
| 17. | The Works to Be Completed<br>Retention | 41              | by        | 35                        | 48.             |
|     | the Intended Completion Date           |                 | 49.       | Liquidated Damages        | 41              |
| 18. | Approval by the Engineer               |                 | 35        | 50.                       | Bonus           |
|     |  |                 | 51.       | Advance Payment           |                 |

|           |  |    |           |  |              |
|-----------|--|----|-----------|--|--------------|
| 19.       | Safety                                   | 35 | 52.       | Securities                                 | 41           |
| 20.       | Discoveries                              | 35 | 53.       | Dayworks                                   |              |
| 21.       | Possession of the Site                   | 35 | 54.       | Cost of Repairs                            | 42           |
| 22.       | Access to the Site                       | 35 |           |  |              |
| 23.       | Instructions                             | 36 |           |  |              |
| 24.       | Disputes                                 | 36 | <b>E.</b> | <b>Finishing the Contract</b>              |              |
| 25.       | Procedure for Disputes                   | 36 | 55.       | Completion                                 | 42           |
| 26.       | Replacement of Adjudicator<br>Over       | 42 | 56.       |  | Taking       |
|           |  |    | 57.       | Final Account                              | 42           |
| <b>B.</b> | <b>Time Control</b>                      |    | 58.       | Operating and Maintenance Manuals          | 42           |
| 27.       | Program                                  | 36 | 59.       | Termination                                | 42           |
| 28.       | Extension of the Intended<br>Termination | 43 | 36        | 60.  | Payment upon |
|           | Completion Date                          |    | 61.       | Property                                   | 43           |
| 29.       | Acceleration                             |    | 62.       | Release from Performance                   | 44           |
| 30.       | Delays Ordered by the<br>Engineer        | 37 | 63.       | Suspension of World Bank Loan or<br>Credit | 44           |
| 31.       | Management Meetings                      | 37 |           |  |              |
| 32.       | Early Warning                            | 37 | <b>F.</b> | <b>Special Conditions of Contract</b>      | <b>45-</b>   |
| <b>48</b> |  |    |           |  |              |

## Conditions of Contract

### A. General

#### 1. Definitions

- 1.1** Terms which are defined in the Contract Data are not also defined in the Conditions of Contract but keep their defined meanings. Capital initials are used to identify defined terms.

**Bill of Quantities** means the priced and completed Bill of Quantities forming part of the Bid.

**Compensation Events** are those defined in Clause 44 hereunder.

The **Completion Date** is the date of completion of the Works as certified by the Engineer in accordance with Sub Clause 55.1.

The **Contract** is the contract between the Employer and the Contractor to execute, complete and maintain the Works. It consists of the documents listed in Clause 2.3 below.

The **Contract Data** defines the documents and other information which comprise the Contract.

The **Contractor** is a person or corporate body whose Bid to carry out the Works has been accepted by the Employer.

The **Contractor's Bid** is the completed Bidding document submitted by the Contractor to the Employer.

The **Contract Price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.

**Days** are calendar days; **months** are calendar months.

A **Defect** is any part of the Works not completed in accordance with the Contract.

The **Defects Liability Period** is the period named in the Contract Data and calculated from the Completion Date.

The **Employer** is the party who will employ the Contractor to carry out the Works.

The **Engineer** is the person named in the Contract Data (or any other competent person appointed and notified to the contractor to act in replacement of the Engineer) who is responsible for supervising the execution of the works and administering the Contract.

**Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.

The **Initial Contract Price** is the Contract Price listed in the Employer's Letter of Acceptance.

The **Intended Completion Date** is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is specified in the Contract Data. The Intended Completion Date may be revised only by the Engineer by issuing an extension of time.

**Materials** are all supplies, including consumables, used by the contractor for incorporation in the Works.

**Plant** is any integral part of the Works which is to have a mechanical, electrical, electronic or chemical or biological function.

The **Site** is the area defined as such in the Contract Data.

**Site Investigation Reports** are those which were included in the Bidding documents and are factual interpretative reports about the surface and sub-surface conditions at the site.

**Specification** means the Specification of the Works included in the Contract and any modification or addition made or approved by the Engineer.

The **Start Date** is given in the Contract Data. It is the date when the Contractor shall commence execution of the works. It does not necessarily coincide with any of the Site Possession Dates.

A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract which includes work on the Site.

**Temporary Works** are works designed, constructed, installed, and removed by the Contractor which are needed for construction or installation of the Works.

A **Variation** is an instruction given by the Engineer which varies the Works.

The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the Employer, as defined in the Contract Data.

## 2. Interpretation

- 2.1 In interpreting these Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Engineer will provide instructions clarifying queries about the Conditions of Contract.
- 2.2 If sectional completion is specified in the Contract Data, references in the Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion date for the whole of the Works).
- 2.3 The documents forming the Contract shall be interpreted in the following order of priority:
- (1) Agreement
  - (2) Letter of Acceptance, notice to proceed with the works
  - (3) Contractor's Bid
  - (4) Contract Data
  - (5) Conditions of Contract
  - (6) Specifications

- (7) Drawings
- (8) Bill of quantities and
- (9) any other document listed in the Contract Data as forming part of the Contract.



### **3. Language and Law**

**3.1** The language of the Contract and the law governing the Contract are stated in the Contract Data.

### **4. Engineer's Decisions**

**4.1** Except where otherwise specifically stated, the Engineer will decide contractual matters between the Employer and the Contractor in the role representing the Employer.

### **5. Delegation**

**5.1** The Engineer may delegate any of his duties and responsibilities to other people except to the Adjudicator after notifying the Contractor and may cancel any delegation after notifying the Contractor.

### **6. Communications**

**6.1** Communications between parties which are referred to in the conditions are effective only when in writing. A notice shall be effective only when it is delivered (in terms of Indian Contract Act).

### **7. Subcontracting**

**7.1** The Contractor may subcontract with the approval of the Engineer but may not assign the Contract without the approval of the Employer in writing. Subcontracting does not alter the Contractor's obligations.

### **8. Other Contractors**

**8.1** The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors. The Contractor shall as referred to in the Contract Data, also provide facilities and services for them as described in the Schedule. The employer may modify the schedule of other contractors and shall notify the contractor of any such modification.

### **9. Personnel**

**9.1** The Contractor shall employ the key personnel named in the Schedule of Key Personnel as referred to in the Contract Data to carry out the functions stated in the Schedule or other personnel approved by the Engineer. The Engineer will approve any proposed replacement of key personnel only if their qualifications, abilities, and relevant experience are substantially equal to or better than those of the personnel listed in the Schedule.

**9.2** If the Engineer asks the Contractor to remove a person who is a member of the Contractor's staff or his work force stating the reasons the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.

## **10. Employer's and Contractor's Risks**

**10.1** The Employer carries the risks which this Contract states are Employer's risks, and the Contractor carries the risks which this Contract states are Contractor's risks.

## **11. Employer's Risks**

**11.1** The Employer is responsible for the excepted risks which are (a) in so far as they directly affect the execution of the Works in the Employer's country, the risks of war, hostilities, invasion, act of foreign enemies, rebellion, revolution, insurrection or military or usurped power, civil war, riot commotion or disorder (unless restricted to the Contractor's employees), and contamination from any nuclear fuel or nuclear waste or radioactive toxic explosive, or (b) a cause due solely to the design of the Works, other than the Contractor's design.

## **12. Contractor's Risks**

**12.1** All risks of loss of or damage to physical property and of personal injury and death which arise during and in consequence of the performance of the Contract other than the excepted risks are the responsibility of the Contractor.

## **13. Insurance**

**13.1** The Contractor shall provide, in the joint names of the Employer and the Contractor, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts and deductibles stated in the Contract Data for the following events which are due to the Contractor's risks:

(a) loss of or damage to the Works, Plant and Materials;

- (b) loss of or damage to Equipment;
- (c) loss of or damage of property (except the Works, Plant, Materials and Equipment) in connection with the Contract; and
- (d) personal injury or death.

**13.2** Policies and certificates for insurance shall be delivered by the Contractor to the Engineer for the Engineer's approval before the Start Date. All such insurance shall provide for compensation to be payable in the types and proportions of currencies required to rectify the loss or damage incurred.

**13.3** If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.

**13.4** Alterations to the terms of an insurance shall not be made without the approval of the Engineer.

**13.5** Both parties shall comply with any conditions of the insurance policies.

#### **14. Site Investigation Reports**

**14.1** The Contractor, in preparing the Bid, shall rely on any site Investigation Reports referred to in the Contract Data, supplemented by any information available to the Bidder.

#### **15. Queries about the Contract Data**

**15.1** The Engineer will clarify queries on the Contract Data.

#### **16. Contractor to Construct the Works**

**16.1** The Contractor shall construct and install the Works in accordance with the Specification and Drawings, and as per instructions of Engineer.

## **17. The Works to Be Completed by the Intended Completion Date**

- 17.1** The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the program submitted by the Contractor, as updated with the approval of the Engineer, and complete them by the Intended Completion Date.

## **18. Approval by the Engineer**

- 18.1** The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Engineer, who is to approve them if they comply with the Specifications and Drawings.
- 18.2** The Contractor shall be responsible for design of Temporary Works.
- 18.3** The Engineer's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 18.4** The Contractor shall obtain approval of third parties to the design of the Temporary Works where required.
- 18.5** All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Engineer before their use.

## **19. Safety**

- 19.1** The Contractor shall be responsible for the safety of all activities on the Site.

## **20. Discoveries**

- 20.1** Anything of historical or other interest or of significant value unexpectedly discovered on the Site is the property of the Employer. The Contractor is to notify the Engineer of such discoveries and carry out the Engineer's instructions for dealing with them.

## **21. Possession of the Site**

- 21.1** The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date stated in the Contract Data the Employer is deemed to have delayed the start of the relevant activities and this will be Compensation Event.

## **22. Access to the Site**

- 22.1** The Contractor shall allow the Engineer and any person authorized by the Engineer access to the Site, to any place where work in connection with the Contract is being carried out or

is intended to be carried out and to any place where materials or plant are being manufactured / fabricated / assembled for the works.

## **23. Instructions**

- 23.1** The Contractor shall carry out all instructions of the Engineer which comply with the applicable laws where the Site is located.
- 23.2** The Contractor shall permit the bank to inspect the Contractor's accounts and records relating to the performance of the Contractor and to have them audited by auditors appointed by the Bank, if so required by the Bank.

## **24. Disputes**

- 24.1** If the Contractor believes that a decision taken by the Engineer was either outside the authority given to the Engineer by the Contract or that the decision was wrongly taken, the decision shall be referred to the Arbitrator within 28 days of the notification of the Engineer's decision.

## **25 Procedure for Disputes**

- 25.1** deleted
- 25.2** deleted
- 25.3** The arbitration shall be conducted in accordance with the arbitration procedure stated in the Special Conditions of Contract.

## **26. Replacement of Adjudicator - deleted**

### **B. Time Control**

## **27. Program**

- 27.1** Within the time stated in the Contract Data the Contractor shall submit to the Engineer for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works, along with monthly cash flow forecast.

- 27.2** An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work including any changes to the sequence of the activities.
- 27.3** The Contractor shall submit to the Engineer, for approval, an updated Program at intervals no longer than the period stated in the Contract Data. If the Contractor does not submit an updated Program within this period, the Engineer may withhold the amount stated in the Contract Data from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.
- 27.4** The Engineer's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Engineer again at any time. A revised Program is to show the effect of Variations and Compensation Events.

## **28. Extension of the Intended Completion Date**

- 28.1** The Engineer shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work and which would cause the Contractor to incur additional cost.
- 28.2** The Engineer shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Engineer for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

## **29. Deleted**

## **30. Delays Ordered by the Engineer**

- 30.1** The Engineer may instruct the Contractor to delay the start or progress of any activity within the Works.

## **31. Management Meetings**

- 31.1** Either the Engineer or the Contractor may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining

work and to deal with matters raised in accordance with the early warning procedure.

- 31.2** The Engineer shall record the business of management meetings and is to provide copies of his record to those attending the meeting and to the Employer. The responsibility of the parties for actions to be taken is to be decided by the Engineer either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.

## **32. Early Warning**

- 32.1** The Contractor is to warn the Engineer at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price or delay the execution of works. The Engineer may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate is to be provided by the Contractor as soon as reasonably possible.
- 32.2** The Contractor shall cooperate with the Engineer in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Engineer.

## **C. Quality Control**

### **33. Identifying Defects**

- 33.1** The Engineer shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Engineer may instruct the Contractor to search for a Defect and to uncover and test any work that the Engineer considers may have a Defect.
- 33.2** The contractor shall permit the Employer's Technical auditor to check the Contractor's work and notify the Engineer and Contractor of any defects that are found. Such a check shall not affect the Contractor's or the Engineer's responsibility as defined in the Contract Agreement.

### **34. Tests**

- 34.1** If the Engineer instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect the test shall be a Compensation Event.



### **35. Correction of Defects**

- 35.1** The Engineer shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion and is defined in the Contract Data. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.
- 35.2** Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Engineer's notice.

### **36. Uncorrected Defects**

- 36.1** If the Contractor has not corrected a Defect within the time specified in the Engineer's notice, the Engineer will assess the cost of having the Defect corrected, and the Contractor will pay this amount.

*Note: Where in certain cases, the technical specifications provide for acceptance of works within specified tolerance limits at reduced rates, Engineer will certify payments to Contractor accordingly.*

## **D. Cost Control**

### **37. Bill of Quantities**

- 37.1** The Bill of Quantities shall contain items for the construction, installation, testing, and commissioning work to be done by the Contractor.
- 37.2** The Bill of Quantities is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the Bill of Quantities for each item.

### **38. Changes in the Quantities**

- 38.1** If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent provided the change exceeds 1% of Initial Contract Price, the Engineer shall adjust the rate to allow for the change.
- 38.2** The Engineer shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the Prior approval of the Employer.
- 38.3** If requested by the Engineer, the Contractor shall provide the Engineer with a detailed cost breakdown of any rate in the Bill of Quantities.

## **39. Variations**

**39.1** All Variations shall be included in updated Programs produced by the Contractor.

## **40. Payments for Variations**

- 40.1** The Contractor shall provide the Engineer with a quotation (with breakdown of unit rates) 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 or within any longer period stated by the Engineer and before the Variation is ordered.
- 40.2** If the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Engineer, the quantity of work above the limit stated in Sub Clause 38.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work.
- 40.3** If the Contractor's quotation is unreasonable (or if the contractor fails to provide the Engineer with a quotation within a reasonable time specified by the Engineer in accordance with Clause 40.1), 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.
- 40.4** If the Engineer decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.
- 40.5** The Contractor shall not be entitled to additional payment for costs which could have been avoided by giving early warning.

## **41. Cash flow forecasts**

**41.1** When the Program is updated, the contractor is to provide the Engineer with an updated cash flow forecast.

## **42. Payment Certificates**

- 42.1** The Contractor shall submit to the Engineer monthly statements of the estimated value of the work completed less the cumulative amount certified previously alongwith details of measurement of the quantity of works executed in a tabulated form as approved by the Engineer.
- 42.2** The Engineer shall check the Contractor's monthly statement and within 14 days certify the amount to be paid to the Contractor.
- 42.3** The value of work executed shall be determined by the Engineer after due check measurement of the quantities claimed as executed by the contractor.
- 42.4** The value of work executed shall comprise the value of the quantities of the items in the Bill of Quantities completed.
- 42.5** The value of work executed shall include the valuation of Variations and Compensation Events.
- 42.6** The Engineer may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

### **43. Payments**

- 43.1** Payments shall be adjusted for deductions for advance payments, 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 each certificate. If the Employer makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made upto the date when the late payment is made at 8% per annum.
- 43.2** If an amount certified is increased in a later certificate or as a result of an award by an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.
- 43.3** Items of the Works for which no rate or price has been entered in will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

## 44. Compensation Events

44.1 The following are Compensation Events unless they are caused by the Contractor:

- (a) The Employer does not give access to a part of the Site by the Site Possession Date stated in the Contract Data.
- (b) The Employer modifies the schedule of other contractors in a way which affects the work of the contractor under the contract.
- (c) The Engineer orders a delay or does not issue drawings, specifications or instructions required for execution of works on time.
- (d) The Engineer instructs the Contractor to uncover or to carry out additional tests upon work which is then found to have no Defects.
- (e) The Engineer unreasonably does not approve for a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of Letter of Acceptance from the information issued to Bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
- (g) The Engineer gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
- (h) Other contractors, public authorities, utilities or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.
- (i) Deleted.
- (j) The effect on the Contractor of any of the Employer's Risks.
- (k) The Engineer unreasonably delays issuing a Certificate of Completion.
- (l) Other Compensation Events listed in the Contract Data or mentioned in the Contract.

**44.2** If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date is extended. The Engineer shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.

**44.3** As soon as information demonstrating the effect of each Compensation Event upon the Contractor's forecast cost has been provided by the Contractor, it is to be assessed by the Engineer and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Engineer shall adjust the Contract Price based on Engineer's own forecast. The Engineer will assume that the Contractor will react competently and promptly to the event.

**44.4** The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor not having given early warning or not having cooperated with the Engineer.

#### **45. Tax**

**45.1** The rates quoted by the Contractor shall be deemed to be inclusive of the sales and other taxes that the Contractor will have to pay for the performance of this Contract. The Employer will perform such duties in regard to the deduction of such taxes at source as per applicable law.

#### **46. Currencies**

**46.1** All payments shall be made in Indian Rupees.

#### **47. Price Adjustment - deleted**

#### **48. Retention**

**48.1** The Employer shall retain from each payment due to the Contractor the proportion stated in the Contract Data until Completion of the whole of the Works.

**48.2** On Completion of the whole of the Works half the total amount retained is repaid to the Contractor and half when the Defects Liability Period has passed and the Engineer has

certified that all Defects notified by the Engineer to the Contractor before the end of this period have been corrected.

**48.3** On completion of the whole works, the Contractor may substitute retention money with an “on demand” Bank guarantee.

#### **49. Liquidated Damages**

**49.1** The Contractor shall pay liquidated damages to the Employer at the rate per day stated in the Contract Data for each day that the Completion Date is later than the Intended Completion Date (for the whole of the works or the milestones as stated in the Contract Data). The total amount of liquidated damages shall not exceed the amount defined in the Contract Data. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages does not affect the Contractor's liabilities.

**49.2** If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the over payment calculated from the date of payment to the date of repayment at the rates specified in Sub Clause 43.1.

**50. Deleted**

**51. Advance Payment Deleted**

**52. Securities**

**52.1** The Performance Security shall be provided to the Employer no 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, and denominated in Indian Rupees. The Performance Security shall be valid until a date 28 days from the date of expiry of Defects Liability Period and the additional security for unbalanced bids shall be valid until a date 28 days from the date of issue of the certificate of completion.

**53. Deleted**

**54. Cost of Repairs**

**54.1** Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

**E. Finishing the Contract**

**55. Completion**

**55.1** The Contractor shall request the Engineer to issue a Certificate of Completion of the Works and the Engineer will do so upon deciding that the Work is completed.

**56. Taking Over**

**56.1** The Employer shall take over the Site and the Works within seven days of the Engineer issuing a certificate of Completion

**57. Final Account**

**57.1** The Contractor shall supply to the Engineer a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Engineer shall issue a Defect Liability Certificate and certify any final payment that is due to the Contractor within 56 days of receiving the Contractor's account if it is correct and complete. If it is not, the Engineer shall issue within 56 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Engineer shall decide on the amount payable to the Contractor and issue a payment certificate within 56 days of receiving the Contractor's revised account.

## **58. Operating and Maintenance Manuals**

- 58.1** If “as built” Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the Contract Data.
- 58.2** If the Contractor does not supply the Drawings and/or manuals by the dates stated in the Contract Data, or they do not receive the Engineer’s approval, the Engineer shall withhold the amount stated in the Contract Data from payments due to the Contractor.

## **59. Termination**

- 59.1** The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.
- 59.2** Fundamental breaches of Contract include, but shall not be limited to the following:
- (a) the Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Engineer;
  - (b) the Engineer instructs the Contractor to delay the progress of the Works and the instruction is not withdrawn within 28 days;
  - (c) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
  - (d) a payment certified by the Engineer is not paid by the Employer to the Contractor within 56 days of the date of the Engineer's certificate;
  - (e) 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;
  - (f) the Contractor does not maintain a security which is required;
  - (g) the Contractor has delayed the completion of works by the number of days for which



the maximum amount of liquidated damages can be paid as defined in the Contract data; and

- (h) if the Contractor, in judgment of the Purchaser engaged in fraud and corruption, as defined in GCC Clause 64, in competing for or in executing the Contract.

**59.3** When either party to the Contract gives notice of a breach of contract to the Engineer for a cause other than those listed under Sub Clause 59.2 above, the Engineer shall decide whether the breach is fundamental or not.

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

**59.5** 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.

## **60. Payment upon Termination**

**60.1** 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 and less the percentage to apply to the work not completed as indicated in the Contract Data. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor the difference shall be a debt payable to the Employer.

**60.2** If the Contract is terminated at the Employer's convenience or because of a fundamental breach of Contract by the Employer, 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.

## **61. Property**

**61.1** All materials on the Site, Plant, Equipment, Temporary Works and Works are deemed to be the property of the Employer, if the Contract is terminated because of a Contractor's default.

## **62. Release from Performance**

**62.1** If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor the Engineer shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards to which commitment was made.

## **63. Suspension of World Bank Loan or Credit**

**63.1** In the event that the World Bank suspends the Loan or Credit to the Employer, from which part of the payments to the Contractor are being made:

- (a) The Employer is obligated to notify the Contractor of such suspension within 7 days of having received the World Bank's suspension notice.
- (b) If the Contractor has not received sums due to it upon the expiration of the 28 days for payment provided for in Sub-Clause 43.1, the Contractor may immediately issue a 14-day termination notice.

## **64. Fraud and Corruption**

**64.1** The Bank requires that Borrowers (including beneficiaries of Bank loans), as well as Bidders, Suppliers, Contractors, and Consultants under Bank-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
  - (i) "corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;
  - (ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;

- (iii) “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the borrower, designed to establish bid prices at artificial, non competitive levels; and
  - (iv) “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;
- (b) will cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a beneficiary of the loan engaged in corrupt, fraudulent, collusive or coercive practices during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to remedy the situation;
- (c) will sanction a firm or individual, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if it at any time determines that they have, directly or through an agent, engaged, in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a Bank-financed contract; and
- (d) will have the right to require that Contractors to permit the Bank to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by the Bank.

## **F. Special Conditions of Contract**

### **1. LABOUR :**

The Contractor shall, unless otherwise provided in the Contract, make his own arrangements for the engagement of all staff and labour, local or other, and for their payment, housing, feeding and transport.

The Contractor shall, if required by the Engineer, deliver to the Engineer a return in detail, in such form and at such intervals as the Engineer may prescribe, showing the staff and the numbers of the several classes of labour from time to time employed by the Contractor on the Site and such other information as the Engineer may require.

### **2. COMPLIANCE WITH LABOUR REGULATIONS :**

During continuance of the contract, the Contractor and his sub contractors shall abide at all times by all existing labour enactments and rules made thereunder, regulations, notifications and bye laws of the State or Central Government or local authority and any other labour law (including rules), regulations, bye laws that may be passed or notification that may be issued under any labour law in future either by the State or the Central Government or the local authority. Salient features of some of the major labour laws that are applicable to construction industry are given below. The Contractor shall keep the Employer indemnified in case any action is taken against the Employer by the competent authority on account of contravention of any of the provisions of any Act or rules made thereunder, regulations or notifications including amendments. If the Employer is caused to pay or reimburse, such amounts as may be necessary to cause or observe, or for non-observance of the provisions stipulated in the notifications/bye laws/Acts/Rules/regulations including amendments, if any, on the part of the Contractor, the Engineer/Employer shall have the right to deduct any money due to the Contractor including his amount of performance security. The Employer/Engineer shall also have right to recover from the Contractor any sum required or estimated to be required for making good the loss or damage suffered by the Employer.

The employees of the Contractor and the Sub-Contractor in no case shall be treated as the employees of the Employer at any point of time.

**SALIENT FEATURES OF SOME MAJOR LABOUR LAWS APPLICABLE TO ESTABLISHMENTS ENGAGED IN BUILDING AND OTHER CONSTRUCTION WORK.**

- a) Workmen Compensation Act 1923: The Act provides for compensation in case of injury by accident arising out of and during the course of employment.
- b) Payment of Gratuity Act 1972: Gratuity is payable to an employee under the Act on satisfaction of certain conditions on separation if an employee has completed 5 years service or more or on death the rate of 15 days wages for every completed year of service. The Act is applicable to all establishments employing 10 or more employees.
- c) Employees P.F. and Miscellaneous provision Act 195: The Act Provides for monthly contributions by the employer plus workers @ 10% or 8.33%. The benefits payable under the Act are :
- (i) Pension or family pension on retirement or death as the case may be.
  - (ii) Deposit linked insurance on the death in harness of the worker.
  - (iii) payment of P.F. accumulation on retirement/death etc.
- d) Maternity Benefit Act 1951 :- The Act provides for leave and some other benefits to women employees in case of confinement or miscarriage etc.
- e) Contract Labour (Regulation & Abolition) Act 1970: The Act provides for certain welfare measures to be provided by the Contractor to contract labour and in case the Contractor fails to provide, the same are required to be provided, by the Principal Employer by Law. The principal Employer is required to take Certificate of Registration and the Contractor is required to take license from the designated Officer. The Act is applicable to the establishments or Contractor of Principal Employer if they employ 20 or more contract labour.
- f) Minimum Wages Act 1948: The Employer is supposed to pay not less than the Minimum Wages fixed by appropriate Government as per provisions of the Act if the employment is a scheduled employment. Construction of Buildings, Roads, Runways are scheduled employment.
- g) Payment of Wages Act 1936: It lays down as to by what date the wages are to be paid, when it will be paid and what deductions can be made from the wages of the workers.
- h) Equal Remuneration Act 1979: The Act provides for payment of equal wages for work of equal nature to Male and Female workers and for not making discrimination

against Female employees in the matters of transfers, training and promotions etc.

i) Payment of Bonus Act 1965: The Act is applicable to all establishments employing 20 or more workmen. The Act provides for payments of annual bonus subject to a minimum of 8.33% of wages and maximum of 20% of wages to employees drawing Rs.3500/- per month. or less. The bonus to be paid to employees getting Rs.2500/- per month or above upto Rs.3500/- per month. shall be worked out by taking wages as Rs.2500/- per month only. The Act does not apply to certain establishments. The newly set-up establishments are exempted for five years in certain circumstances. Some of the State Governments have reduced the employment size from 20 to 10 for the purpose of applicability of the Act.

j) Industrial Disputes Act 1947: The Act lays down the machinery and procedure for resolution of Industrial disputes, in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment.

k) Industrial Employment (Standing Orders) Act 1946: It is applicable to all establishments employing 100 or more workmen (employment size reduced by some of the States and Central Government to 50). The Act provides for laying down rules governing the conditions of employment by the Employer on matters provided in the Act and get the same certified by the designated Authority.

l) Trade Unions Act 1926: The Act lays down the procedure per registration of trade unions of workmen and employers. The Trade Unions registered under the Act have been given certain immunities from civil and criminal liabilities.

m) Child Labour (Prohibition & Regulation) Act 1986: The Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulations of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in Building and Construction Industry.

n) Inter-State Migrant workmen's (Regulation of Employment & Conditions of Service) Act 1979 :- The Act is applicable to an establishment which employs 5 or more inter-state migrant workmen through an intermediary (who has recruited workmen in one state for employment in the establishment situated in another state). The Inter-State migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as Housing, Medical-Aid, Travelling expenses from home upto the establishment and back etc.

o) The Building and Other Construction workers (Regulation of Employment and Conditions of Service) Act 1996 and the Cess Act of 1996: All the establishments who carry on any building or other construction work and employs 10 or more workers are

covered under this Act. All such establishments are required to pay cess at the rate not exceeding 2% of the cost of construction as may be modified by the Government. The Employer of the establishment is required to provide safety measures at the Building or construction work and other welfare measures, such as Canteens, First-Aid facilities, Ambulance, Housing accommodations for workers near the work place etc. The Employer to whom the Act applies has to obtain a registration certificate from the Registering Officer appointed by the Government.

p) Factories Act 1948: The Act lays down the procedure for approval at plans before setting up a factory, health and safety provisions, welfare provisions, working hours, annual earned leave and rendering information regarding accidents or dangerous occurrences to designated authorities. It is applicable to premises employing 10 persons or more with aid of power or 20 or more persons without the aid of power engaged in manufacturing process.

### **3. SUB-CONTRACTING (GCC Clause 7)**

Please add the following as Clause 7.2:

The contractor shall not be required to obtain any consent from the employer for:

- a) the sub-contracting of any part of the Works for which the Sub-contractor is named in the contract;
- b) the provision of labour; and
- c) the purchase of materials which are in accordance with the standards specified in the Contract.

Beyond this if the contractor proposes sub-contracting any part of the work during execution of works, because of some unforeseen circumstances to enable him to complete the work as per terms of the contract, the Engineer will consider the following before according approval:

- The contractor shall not sub-contract the whole of the Works.
- The contractor shall not sub-contract any part of the Work without prior consent of the Engineer. Any such consent shall not relieve the contractor from any liability or obligations under the contract and he shall be responsible for the acts, defaults and neglects of any sub-contractor, his agents or workmen as fully as if they were the acts, defaults or neglects of the contractor, his agents or workmen.
- The Engineer should satisfy whether (a) the circumstances warrant such sub-contracting; and (b) the sub-contractors so proposed for the Work possess the experience, qualifications and equipment necessary for the job proposed to be entrusted to them in proportion to the quantum of work to be sub-contracted.
- If payments are proposed to be made directly to that sub-contractor, this should be subject

to specific authorization by the prime contractor so that this arrangement does not alter the contractor's liability or obligations under the contract.)

4. **ARBITRATION** (GCC Clause 25.3)

The procedure for arbitration will be as follows :

- 25.3 (a) In case of Dispute or difference arising between the Employer and a domestic contractor relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The arbitral tribunal shall consist of 3 arbitrators one each to be appointed by the Employer and the Contractor. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties and shall act a presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the \* Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India).

---

*(Note: 1. All bidders are expected to indicate clearly in the bid, if they proposed sub-contracting parts of the works amounting to more than 20 percent of the Bid Price. For each such proposal the qualification and the experience of the identified sub-contractor in the relevant field should be furnished alongwith the bid to enable the employer to satisfy himself about their qualifications before agreeing for such sub-contracting and include it in the contract. In view of the above, normally no additional sub-contracting should arise during execution of the contract.)*

2. However, [a] sub contracting for certain specialized elements of the work is not unusual and acceptable for carrying out the works more effectively; but vertical splitting of the works for subcontracting is not *acceptable* [b] In any case, proposal for sub-contracting in addition to what was specified in bid and stated in contract agreement will not be acceptable if the value of such additional sub-contracting exceeds 25% of value of work which was to be executed by Contractor without sub-contracting.

3. Assignment of the contract may be acceptable only under exceptional circumstances such as insolvencies/liquidation or merger of companies etc.

- (b) In the case of dispute with a Foreign contractor the dispute shall be settled in accordance with provisions of UNCITRAL (United Nations Commission on International Trade Law) Arbitration Rules. The Arbitral Tribunal shall consist of three Arbitrators one each to be appointed by the Employer and the Contractor. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties, and shall act a presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding arbitrator shall be appointed by the \* Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India).



- (c) If one of the parties fails to appoint its arbitrator in pursuance of sub-clause (a) and (b) above within 30 days after receipt of the notice of the appointment of its arbitrator by the other party, then the \* Indian Council of Arbitration/President of the Institution of Engineers (India)/The International centre for Alternative Dispute Resolution (India), both in cases of the Foreign Contractor as well as Indian Contractor, shall appoint the arbitrator. A certified copy of the order of the \*Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Disputes Resolution (India), making such an appointment shall be furnished to each of the parties.
- (d) Arbitration proceedings shall be held at \_\_\_\_\_, India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.
- (e) The decision of the majority of arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the arbitral tribunal. However, the expenses incurred by each party in connection with the preparation, presentation, etc. of its proceedings as also the fees and expenses paid to the arbitrator appointed by such party or on its behalf shall be borne by each party itself.
- (f) In the event value of the contract is upto Rs.50 millions, the disputes or differences arising shall be referred to the Sole Arbitrator. The Sole Arbitrator should be appointed by agreement between the parties, failing such agreement by the appointing authority, i.e. the \*Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Disputes Resolution (India).
- (g) Performance under the contract shall continue during the arbitration proceedings and payments due to the contractor by the owners shall not be withheld, unless they are the subject matter of the arbitration proceedings.

5. **PROTECTION OF ENVIRONMENT:**

Add the following as GCC Clause 16.2:

The contractor shall take all reasonable steps to protect the environment on and off the Site and to avoid damage or nuisance to persons or to property of the public or others resulting from pollution, noise or other causes arising as a consequence of his methods of operation.

During continuance of the contract, the contractor and his sub-contractors shall abide at all

times by all existing enactments on environmental protection and rules made thereunder, regulations, notifications and bye-laws of the State or Central Government, or local authorities and any other law, bye-law, regulations that may be passed or notification that may be issued in this respect in future by the State or Central Government or the local authority.

Salient features of some of the major laws that are applicable are given below :

The Water (Prevention and Control of Pollution) Act, 1974, This provides for the prevention and control of water pollution and the maintaining and restoring of wholesomeness of water. 'Pollution' means such contamination of water or such alteration of the physical, chemical or biological properties of water or such discharge of any sewage or trade effluent or of any other liquid, gaseous or solid substance into water (whether directly or indirectly) as may, or is likely to, create a nuisance or render such water harmful or injurious to public health or safety, or to domestic, commercial, industrial, agricultural or other legitimate uses, or to the life and health of animals or plants or of aquatic organisms.

The Air (Prevention and Control of Pollution) Act, 1981, This provides for prevention, control and abatement of air pollution. 'Air Pollution' means the presence in the atmosphere of any 'air pollutant', which means any solid, liquid or gaseous substance (including noise) present in the atmosphere in such concentration as may be or tend to be injurious to human beings or other living creatures or plants or property or environment.

The Environment (Protection) Act, 1986, This provides for the protection and improvement of environment and for matters connected therewith, and the prevention of hazards to human beings, other living creatures, plants and property. 'Environment' includes water, air and land and the inter-relationship which exists among and between water, air and land, and human beings, other living creatures, plants, micro-organism and property.

The Public Liability Insurance Act, 1991, This provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling hazardous substances and for matters connected herewith or incidental thereto. Hazardous substance means any substance or preparation which is defined as hazardous substance under the Environment (Protection) Act 1986, and exceeding such quantity as may be specified by notification by the Central Government.

*[Employers should note that the Loan Agreement between IBRD and the borrowing country may establish specific measures to be taken during construction of the Works for the protection of the environment. Sub-clause 16.2 should be modified/expanded to take into account such specific measures or other measures considered appropriate by the Employer]*

**6. LIQUIDATED DAMAGES:**

Sub-clause 49.1:

Please substitute the last sentence with the following:

“Time is the essence of the contract and payment or deduction of liquidated damages shall not relieve the contractor from his obligation to complete the work as per agreed construction program and milestones or from any other of the contractor’s obligations and liabilities under the contract.”

## **SECTION 4: CONTRACT DATA**

## Contract Data

**Items marked "N/A" do not apply in this Contract.**

| The following documents are also part of the Contract:  | Clause Reference |
|---|------------------|
| · The Schedule of Operating and Maintenance Manuals   | [58]             |
| · The Schedule of Other Contractors   | [8]              |
| · The Schedule of Key Personnel   | [9]              |
| · The Methodology and Program of Construction   | [27]             |
| · The Schedule of Key and Critical equipment to be deployed on the work as per agreed program of construction | [27]             |
| · Site Investigation reports  | [14]             |

The Borrower is Government of India / ..... [1.1]  
[name of Borrower and statement of relationship with the Employer, if different from the Borrower].

The World Bank means \_\_\_\_\_  
[1.1]

\_\_\_\_\_  
*[insert "International Bank for Reconstruction and Development (IBRD)" or International Development Association (IDA), "as appropriate],*  
and loan refers to an \_\_\_\_\_  
*[insert "IBRD Loan" or "IDA Credit", as appropriate]*

The above insertions should correspond to the information provided in the Invitation for Bids.

The Employer is :

Name: \_\_\_\_\_ (1.1)

Address: \_\_\_\_\_

Name of authorized Representative: \_\_\_\_\_

The Engineer  
is

[1.1)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_

The name and identification number of the Contract is

\_\_\_\_\_

[insert name and number as indicated in the Invitation for Bids (or Prequalification, if any)]. [1.1]

The Works consist of -----

[brief summary, including relationship to other contracts under the Project].

The start date shall be the date of issue of notice to proceed with the work. (1.1)

The intended completion Date for the whole of the work is ----- [17,28]

The following documents also form part of the Contract: [2.3]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

The Contractor shall submit a revised Program for the Works (in such form and detail as the engineer shall reasonably prescribe) within \_\_\_\_\_ days of delivery of the Letter of Acceptance. [27]

The Site Possession Date is: [21]

The Site is located at \_\_\_\_\_ [1]  
 and is defined in drawings nos. \_\_\_\_\_  
 \_\_\_\_\_

The Defects Liability Period is \_\_\_\_\_ days from the date of certification of completion of works (where sectional completion certificate is issued this will apply from those dates for those sections). [35]

Insurance requirements are as under: [13]

|      |                               | Minimum Cover for Insurance | Maximum deductible for Insurance |
|------|-------------------------------|-----------------------------|----------------------------------|
| (i)  | Works and Plant and Materials |                             |                                  |
| (ii) | Loss or damage to Equipment   |                             |                                  |

|       |   |   |  |
|-------|---|---|--|
| (iii) | Other Property  |   |  |
| (iv)  | Personal injury or death insurance:<br><br>a) for other people; |   |  |
|       | b) for Contractor's Employees                                   | In accordance with the statutory requirements applicable to India |  |

The following events shall also be Compensation Events:

[44]

[44]

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

The period between Program updates shall be \_\_\_\_\_ days.

[27]

The amount to be withheld for late submission of an updated

Program shall be \_\_\_\_\_

[27]

The language of the Contract documents is English

[3]

The law which applies to the Contract is the laws of Union of India

[3]

The currency of the Contract is Indian Rupees.

[46]



The proportion of payments retained (retention money) shall be 6% from each bill subject to a maximum of 5% of final contract price [48]

The liquidated damages for the whole of the works are  
Rs. \_\_\_\_\_ (amount) per day (49)

*[To be fixed at not less than 0.05% per day of contract value]*

The maximum amount of liquidated damages for the whole of the works is ten percent of final contract price. [49]

The Securities shall be for the following minimum amounts equivalent as a [52]  
percentage of the Contract Price:

Performance Security for 5 per cent of contract price plus Rs. .... as additional security in terms of ITB Clause 29.5.

The standard form(s) of Performance Security acceptable to the Employer shall be an [52]  
unconditional Bank Guarantee of the type as presented in Section 8 of the Bidding Documents.

\* The date by which operating and maintenance manuals are required is within 28 days of issue of certificate of completion of whole or section of the work, as the case may be. [58]

\* The date by which “as-built” drawings (in scale ...) in 2 sets are required is within 28 days of issue of certificate of completion of whole or section of the work, as the case may

be.

[58]

The amount to be withheld for failing to supply “as built” drawings and/or operating and maintenance  
[58]

manuals\* by the date required is Rs. \_\_\_\_\_

The following events shall also be fundamental breach of the contract :

[59.2]

1. The contractor has contravened Sub-clause 7 of GCC read with SCC and Clause 9 of GCC.
2. *The contractor does not adhere to the agreed construction program (Clause 27 of GCC) and also fails to take satisfactory remedial action as per agreements reached in the management meetings (Clause 31) for a period of 60 days.*
3. *The contractor fails to carry out the instructions of Engineer within a reasonable time determined by the Engineer in accordance with GCC Clause 16.1 and 23.1.*

The percentage to apply to the value of the work not completed representing the Employer's  
[60]

additional cost for completing the Works shall be 20 percent.

## **SECTION 5: SPECIFICATIONS**

## **SPECIFICATIONS**

## **SECTION 6: DRAWINGS**

## Drawings

**SECTION 7: BILL OF QUANTITIES**

**Bill of Quantities**

| Sl. No. | Description of item<br>(with brief specification and reference to Book of specification) | Quantity | Unit | Rate       |          | Amount |
|---------|--|----------|------|------------|----------|--------|
|         |  |          |      | In figures | In words |        |
|         |  |          |      |            |          |        |



|  |  |                                     |  |  |  |  |  |
|--|--|-------------------------------------|--|--|--|--|--|
|  |  |                                     |  |  |  |  |  |
|  |  | <b>Total Bid Price (in figures)</b> |  |  |  |  |  |
|  |  | <b>(in words)</b>                   |  |  |  |  |  |

**Note:**

- (1) Item for which no rate or price has been entered in will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities (refer: ITB Clause 13.2 and GCC Clause 43.3).
- (2) Unit rates and prices shall be quoted by the bidder in Indian rupee [ITB Clause 14.1].
- (3) Where there is a discrepancy between the rate in figures and words, the rates in words will govern.  
[ITB Clause 27.1(a)]
- (4) Where there is a discrepancy between the unit rate and the line item total resulting from

multiplying the unit rate by quantity, the unit rate quoted shall govern [ITB Clause 27.1 (b)].

## **SECTION 8: FORMS OF SECURITIES**

## **Forms of Securities**

Acceptable forms of securities are annexed. Bidders should not complete the Performance and Advance Payment Security forms at this time. Only the successful Bidder will be required to provide Performance and Advance Payment Securities in accordance with one of the forms, or in a similar form acceptable to the Employer.

**Annex A:** Bid Security (Bank Guarantee)

**Annex B:** Performance Bank Guarantee

**Annex C:** Deleted

**Annex D:** Bank Guarantee for Advance Payment

**BID SECURITY (BANK GUARANTEE)**

WHEREAS, \_\_\_\_\_ [*name of Bidder*] (hereinafter called "the Bidder") has submitted his Bid dated \_\_\_\_\_ [*date*] for the construction of \_\_\_\_\_ [*name of Contract*] (hereinafter called "the Bid").

KNOW ALL PEOPLE by these presents that We \_\_\_\_\_ [*name of bank*] of \_\_\_\_\_ [*name of country*] having our registered office at \_\_\_\_\_ (hereinafter called "the Bank") are bound unto \_\_\_\_\_ [*name of Employer*] (hereinafter called "the Employer") in the sum of \_\_\_\_\_<sup>1</sup> for which payment well and truly to be made to the said Employer the Bank binds itself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_\_.

THE CONDITIONS of this obligation are:

- (1) If after Bid opening the Bidder withdraws his bid during the period of Bid validity specified in the Form of Bid;

or

- (2) If the Bidder having been notified of the acceptance of his bid by the Employer during the period of Bid validity,
  - (a) fails or refuses to execute the Form of Agreement in accordance with the Instructions to Bidders, if required; or
  - (b) fails or refuses to furnish the Performance Security, in accordance with the Instruction to Bidders; or
  - (c) does not accept the correction of the Bid Price pursuant to Clause 27,

we undertake to pay to the Employer up to the above amount upon receipt of his first written demand, without the Employer having to substantiate his demand, provided that in his demand the Employer will note that the amount claimed by him is due to him owing to the occurrence of one or any of the three conditions, specifying the occurred condition or conditions.

This Guarantee will remain in force up to and including the date \_\_\_\_\_<sup>2</sup> days after the deadline for submission of Bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Employer, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this guarantee should reach the Bank not later than the above date.

DATE \_\_\_\_\_ SIGNATURE OF THE BANK \_\_\_\_\_

WITNESS \_\_\_\_\_ SEAL \_\_\_\_\_

\_\_\_\_\_  
[signature, name, and address]

\_\_\_\_\_

- 1 The Bidder should insert the amount of the guarantee in words and figures denominated in Indian Rupees. This figure should be the same as shown in Clause 16.1 of the Instructions to Bidders.
- 2 45 days after the end of the validity period of the Bid.

**Annex B**

**PERFORMANCE BANK GUARANTEE**

To: \_\_\_\_\_ *[name of Employer]*  
\_\_\_\_\_ *[address of Employer]*

WHEREAS \_\_\_\_\_ *[name and address of Contractor]* (hereinafter called "the Contractor") has undertaken, in pursuance of Contract No. \_\_\_\_\_ dated \_\_\_\_\_ to execute \_\_\_\_\_ *[name of Contract and brief description of Works]* (hereinafter called "the Contract");

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee;

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of \_\_\_\_\_ *[amount of guarantee]* / \_\_\_\_\_ *[in words]*, such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of \_\_\_\_\_ *[amount of guarantee]*<sup>1</sup> as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until 28 days from the date of expiry of the Defects Liability Period.

Signature and seal of the guarantor \_\_\_\_\_

Name of Bank \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_

\_\_\_\_\_

1 An amount shall be inserted by the Guarantor, representing the percentage of the Contract Price specified in the Contract including additional security for unbalanced Bids, if any and denominated in Indian Rupees.



**Annex - D**

**BANK GUARANTEE FOR ADVANCE PAYMENT**

To: \_\_\_\_\_ *[name of Employer]*  
\_\_\_\_\_ *[address of Employer]*  
\_\_\_\_\_ *[name of Contract]*

Gentlemen:

In accordance with the provisions of the Conditions of Contract, subclause 51.1 ("Advance Payment") of the above-mentioned Contract, \_\_\_\_\_ *[name and address of Contractor]* (hereinafter called "the Contractor") shall deposit with \_\_\_\_\_ *[name of Employer]* a bank guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of \_\_\_\_\_ *[amount of guarantee]*  
<sup>1</sup> \_\_\_\_\_ *[in words]*.

We, the \_\_\_\_\_ *[bank or financial institution]*, as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to \_\_\_\_\_ *[name of Employer]* on his first demand without whatsoever right of objection on our part and without his first claim to the Contractor, in the amount not exceeding \_\_\_\_\_ *[amount of guarantee]*<sup>1</sup> \_\_\_\_\_ *[in words]*.

We further agree that no change or addition to or other modification of the terms of the Contract or of Works to be performed thereunder or of any of the Contract documents which may be made between \_\_\_\_\_ *[name of Employer]* and the Contractor, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until \_\_\_\_\_ *[name of Employer]* receives full repayment of the same amount from the Contractor.

Yours truly,

Signature and seal: \_\_\_\_\_

Name of Bank/Financial Institution: \_\_\_\_\_

Address: \_\_\_\_\_

Date: \_\_\_\_\_

- 
- 1 An amount shall be inserted by the bank or financial institution representing the amount of the Advance Payment, and denominated in Indian Rupees.

NR/ls Tuesday, October 26, 2004

m:\pdat\sbd\works\doc\w1.doc

**Project Name**  
**Consultancy Services for \_\_\_\_\_**  
**Expressions of Interest**

The Government of \_\_\_\_\_ has *applied for/availed* a credit/loan from International Development Association (IDA), and the International Bank for Reconstruction and Development (IBRD) and intends to apply part of the loan/credit proceeds to make payments under the contract for the following services:

**Consultancy for \_\_\_\_\_**

The \_\_\_\_\_ Project now invites eligible Consultants to indicate their interest in providing the services. A Consultant will be selected in accordance with the procedures set out, in the World Bank's Guidelines: Selection of Employment of Consultants by World Bank Borrower (current edition). Interested Consultant may submit "Expression of Interest" in a sealed envelope clearly superscripted as Expression of Interest for " \_\_\_\_\_ and may obtain further information about the services, procedures for submitting the EOI etc. at \_\_\_\_\_

Consultants may associate other Service Providers to enhance their qualifications/skills. Expressions of Interest must be delivered to the address below on or before dated \_\_\_\_\_

*[Insert name of officer]*

Tel:

Fax:

E-mail:

**SELECTION OF CONSULTANTS BY THE BANK'S BORROWERS**

## REQUEST FOR EXPRESSIONS OF INTEREST

Country: India

Project Name:

### METHOD OF CONSULTING SERVICES

Credit.:

Expressions of Interest

The Government of India has received a Credit 4685-IN from the International Development Association and it is intended that part of the proceeds of this credit will be applied to eligible payments under the contracts for \_\_\_\_\_

The services include [*brief description, organization, implementation period...*].[\[i\]](#)

Consulting Services: \_\_\_\_\_

Brief Description: \_\_\_\_\_

Organization: \_\_\_\_\_

Implementation Period: \_\_\_\_\_

The \_\_\_\_\_ now invites eligible consultants to indicate their interest in providing the services. Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may associate to enhance their qualifications.

A consultant will be selected in accordance with the procedures set out in the World Bank's *Guidelines: Selection and Employment of Consultants by World Bank Borrower* (current edition).

Short-listing Criteria

- i. The organization's annual turnover should not be less than Rs..... per annum during each of the last three years.
- ii. The organization should have minimum ..... regular employees working on.
- iii. The organization should have completed at least three projects of similar nature in past five years.
- iv. The organization should have relevant experience in geographical region.

Interested consultants may obtain further information at the address below

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Expressions of interest must be delivered to the address below by \_\_\_\_\_,  
\_\_\_\_\_.

*[Insert name of officer]*

Tel: \_\_\_\_\_

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Date:

Sub:- Extension of date for submission of Technical and Financial Proposals for

\_\_\_\_\_

1. M/s
2. M/s
3. M/s
4. M/s
5. M/s
6. M/s

Dear Sir,

There has been a request from some firms for extension of time beyond \_\_\_\_\_ for submission of Technical and Financial Proposals for \_\_\_\_\_.

The last date for submission of Technical and Financial proposals for ..... is extended to \_\_\_\_\_ hrs on \_\_\_\_\_ 2010. Any proposals received beyond the specified time and date will be rejected. All other conditions mentioned in the RFP will remain the same.

Please acknowledge receipt of this letter.

With regards

Thanking you

Yours sincerely

Copy to:

Date.....

To

.....  
.....  
.....  
.....  
.....

**Sub: - Opening of financial proposals for .....**

Dear Sir,

The Technical proposals submitted for ..... have been evaluated. The financial proposals submitted by the Consultants will be opened on ..... at ..... hrs at .....

You are requested to be present or depute your representative for the financial bid opening. The agenda for the day will be: -

- a. Reading out the Technical score obtained by the Consultants. No discussion will be entertained on this course.
- b. Reading out the financial figures quoted by the respective Consultants.

Confirmation regarding participation may kindly be sent.

With regards

Yours sincerely

Copy to: - 1. ....

2. ....

## **Section 1. Letter of Invitation**

[if applicable, insert: Invitation N° .....; Loan N° .....]

[insert: Location and Date]

[insert: Name and Address of Consultant]

Dear Mr./Ms.:

1. The [insert: Name of Borrower] (hereinafter called “Borrower”) [select: has received or has applied for] financing from the [select: International Bank for Reconstruction and Development (IBRD) or International Development Association (IDA)] (hereinafter called “loan”) toward the cost of [insert: name of Project]. The Borrower intends to apply a portion of the funds to eligible payments under the contract for which this Request for Proposals is issued.

2. The [insert: name of Client] now invites proposals to provide the following consulting services: [insert: name of consulting services assignment]. More details on the services are provided in the Terms of Reference.

3. This Request for Proposal (RFP) has been addressed to the following shortlisted Consultants:

[insert: List of Shortlisted Consultants]

It is not permissible to transfer this invitation to any other firm.

4. A firm will be selected under [insert: Selection Method] and procedures described in this RFP, in accordance with the policies of the [select: International Bank for Reconstruction and Development (IBRD) or International Development Association (IDA)] detailed in the Guidelines - Selection and Employment of Consultants by World Bank Borrowers which can be found at the following website: [www.worldbank.org/procure](http://www.worldbank.org/procure).

5. The RFP includes the following documents:

Section 1 - Letter of Invitation

Section 2 - Instructions to Consultants (including Data Sheet)

Section 3 - Technical Proposal - Standard Forms

Section 4 - Financial Proposal - Standard Forms

Section 5 - Terms of Reference

Section 6 - Standard Forms of Contract



6. Please inform us in writing at the following address *[insert address]*, upon receipt:

- (a) that you received the Letter of Invitation; and
- (b) whether you will submit a proposal alone or in association.

Yours sincerely,

*[insert: Signature, name, and title of Client's representative]*

### **HIRING OF CONSULTANCY SERVICES CHECK LIST FOR PRIOR REVIEW OF CONSULTANCY CONTRACTS**

- 1. Name of Project :
- 2. Credit/Loan Number :
- 3. Type of Consultancy Assignment :
- 4. Whether the terms of reference have :
- 5. Whether a short list of the consultants/ :

Consultant firms has been drawn and Cleared with the Bank? (The short list should indeed the short and prepared through clients knowledge of consultant/consultant firms either from various working experience, from various working experience, from meeting their representatives or from meeting their representatives of from references from other clients, Bank, etc, Normally this Should not be less than three and more Than six.)

- Give the names of short listed consultants :
- 6. Whether the draft letter of invitation along with draft contract is as per standard model and was reviewed and cleared with the Bank?  
If yes, give reference :
- 7. Date of invitation of proposals :
- 8. Last date of receipt of technical proposals (45 to 60 days from date of invitation) :
- 9. Whether the technical proposals were :

evaluated and cleared with the Bank?

If yes, give reference.

10. What is the result of evaluation. Give list of consultants with ranking :
  
  11. Whether the negotiations were held with the best technically ranked firm : and draft contract finalized? If yes. When? Give dates. If the contract is not Finalized with the best technically ranked Firm. With whom has the contract finalized Give reasons.
  12. Whether the draft contract negotiated : with the selected firm was reviewed and and cleared with the Bank. If yes. When? Give date
  13. Name of consultant/consultant firm :
  14. Date of Award of the contract :
  15. Date of signing of the contract :
  16. Contract value as awarded :
  17. Contract number and date :
  18. Stipulated period of completion :
  19. Enclosure: :
- (One copy of the final contract with Appendices)

Signature: .....

Name:

Designation:

Date:

**INVITATION FOR QUOTATIONS FOR SUPPLY OF**  
**GOODS UNDER SHOPPING PROCEDURES**

To

---

---

---

---

Dear Sirs,

Sub : INVITATION FOR QUOTATIONS FOR SUPPLY OF

1. You are invited to submit your most competitive quotation for the following goods:-

| Brief Description<br>of the Goods | Specifications* | Quantity | Delivery<br>Period | Place of<br>Delivery | Installation<br>Requirement<br>if any |
|-----------------------------------|-----------------|----------|--------------------|----------------------|---------------------------------------|
|                                   |                 |          |                    |                      |                                       |
|                                   |                 |          |                    |                      |                                       |
|                                   |                 |          |                    |                      |                                       |
|                                   |                 |          |                    |                      |                                       |
|                                   |                 |          |                    |                      |                                       |

\* Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only.

2. Government of India has received a credit from the International Development Association (IDA) in various currencies equivalent to US\$ \_\_\_\_\_ towards the cost of the \_\_\_\_\_ Project and intends to apply part of the proceeds of this credit to eligible payments under the contract for which this invitation for quotations is issued.

3. **Bid Price**

- a) The contract shall be for the full quantity as described above. Corrections, if any, shall be made by crossing out, initialing, dating and re writing.
- b) All duties, taxes and other levies payable by the contractor under the contract shall be included in the total price.
- c) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.
- d) The Prices should be quoted in Indian Rupees only.

4. Each bidder shall submit only one quotation.

5. **Validity of Quotation**

Quotation shall remain valid for a period not less than 15 days after the deadline date specified for submission.

6. **Evaluation of Quotations**

The Purchaser will evaluate and compare the quotations determined to be substantially responsive i.e. which

- (a) are properly signed ; and
- (b) conform to the terms and conditions, and specifications.

The Quotations would be evaluated for all the item together/would be evaluated separately for each item. *[Select one of the options]*.

7. **Award of contract**

The Purchaser will award the contract to the bidder whose quotation has been determined to be substantially responsive and who has offered the lowest evaluated quotation price.

7.1 Notwithstanding the above, the Purchaser reserves the right to accept or reject any quotations and to cancel the bidding process and reject all quotations at any time prior to the award of contract.

7.2 The bidder whose bid is accepted will be notified of the award of contract by the Purchaser prior to expiration of the quotation validity period. The terms of the accepted offer shall be incorporated in the purchase order.

8. Payment shall be made immediately after delivery of the goods.

9. Normal commercial warranty/ guarantee shall be applicable to the supplied goods.

10. You are requested to provide your offer latest by .....hours on .....(date).

11. We look forward to receiving your quotations and thank you for your interest in this project.

( Purchaser )

Name: .....

Address: .....

.....

Tel. No. ....

Fax No. ....



**FORMAT OF QUOTATION \***

| <b>Sl. No.</b> | <b>Description Goods</b> | <b>Specifications</b> | <b>Qty.</b> | <b>Unit</b> | <b>Quoted Unit Rate in Rs.</b> | <b>Total Amount</b> |                 |
|----------------|--------------------------|-----------------------|-------------|-------------|--------------------------------|---------------------|-----------------|
|                |                          |                       |             |             |                                | <b>In Figures</b>   | <b>In Words</b> |
|                |                          |                       |             |             |                                |                     |                 |
|                |                          |                       |             |             |                                |                     |                 |

|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|

**Gross Total Cost : Rs. ....**

We agree to supply the above goods in accordance with the technical specifications for a total contract price of Rs. ....(amount in figures ) (Rs. .... amount in words) within the period specified in the Invitation for Quotations.

We also confirm that the normal commercial warrantee/guarantee of ..... months shall apply to the offered goods.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

**Signature of Supplier**

Name: \_\_\_\_\_

Contact No. \_\_\_\_\_

\* *Applicable while the bids are being invited for more than one item and would be evaluated for all the items together. Modify where evaluation would be made for each item separately.*

**PURCHASE ORDER**





Reference No:

Date of Issue:

---

---

Subject:

---

---

Purchaser:

---

---

Supplier Name:

---

---

With reference to our correspondence, is pleased to award this detailed Purchase Order to for supply of items as per the details given below at a total cost of (<In words>):

---

---

|                             |   |     |
|-----------------------------|---|-----|
| Total price (without taxes) | : | Rs. |
| Total applicable taxes      | : | %   |
| Total price (with taxes)    | : | Rs. |
| Total Octroi                | : | Rs. |

Delivery :

Testing/Installation  
Clause (if any) :

Training Clause (if any) :

Technical Specifications : As per Annexure - 1

Delivery Period : As specified for each item from date

of issue of confirmed purchase order or as early as possible.

Warranty :

Payment Terms :

---

---

For

(Authorized Signatory)

Name & Designation

---

---

Accepted by

Signature

Date

Address

---

---

## Annexure I

### Draft Agreement form for Construction through National Shopping

#### ARTICLES OF AGREEMENT

This deed of agreement is made in the form of agreement on \_\_\_\_\_, between the \_\_\_\_\_ (Employer) or his authorized representative (hereinafter referred to as the first party) and \_\_\_\_\_ (Name of the Contractor), S/O \_\_\_\_\_ resident of \_\_\_\_\_ (hereinafter referred to as the second party), to execute the work of construction of \_\_\_\_\_

(hereinafter referred to as works) on the following terms and conditions.

## 2. Cost of the Contract

The total cost of the works (hereinafter referred to as the "total cost") is Rs. \_\_\_\_\_ as reflected in Annexure - A.

### 3.1 Payments under its contract:

Payments to the second party for the construction work will be released by the first party in the following manner:-

|  |   |                       |
|--|---|-----------------------|
| On signing of agreement                                | : | 25% of total cost     |
| On reaching plinth level (first stage)                 | : | 25% of the total cost |
| On reaching lintel level (second stage)                | : | 25% of the total cost |
| On reaching roof level (third stage)                   | : | 15% of the total cost |
| Plastering and completion of whole work (fourth stage) | : | 10% of the total cost |

***(The above has been drafted for construction of school buildings; modify this suitably for other works)***

### 3.2 Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount ;
- (b) on certification of the invoice (except for the first installment) by the engineer nominated by the first party with respect to quality of works in the format in Annexure - B; and
- (c) upon proper and justified utilization of at least 50 % of the previous installment and 100 % of any prior installment.

## 4. Notice by Contractor to Engineer

The second party, on the works reaching each stage of construction, 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 stage 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 \_\_\_\_\_ (months/weeks/days) from the date of this 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 :

- f) The first party does not give access to the site or a part thereof by the agreed period.
- g) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.
  
- h) 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.
- i) Payments due to the second party are delayed without reason.
- j) 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. @ Rs. \* \_\_\_\_\_ 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 2 % of the contract amount.

**(Note : The amount of liquidated damages per day should be determined at 0.05 % of the contract value of the works and indicated here).**

## **8. Duties and responsibilities of the first party**

**8.1** 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.

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

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

**8.4** The Engineer or such other person as may be authorized by the first party shall hold meeting once in a month 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.

**8.5** 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**

### **9.1** The second party shall :

- j) take up the works and arrange for its completion within the time period stipulated in clause 5;
  - k) employ suitable skilled persons to carry out the works ;
  - l) regularly supervise and monitor the progress of work ;
  - m) abide by the technical suggestions / direction of supervisory personnel including engineers etc. regarding building construction ;
  - n) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification ;
  - o) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation ;
  - p) keep the first party informed about the progress of work ;
  - q) be responsible for all security and watch and ward arrangements at site till handing over of the building to the first party ; and
  - r) 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.
- f) Pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law).

## **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:-

- d)** 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.
- e)** 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.
- f)** 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 shall be provided to the Employer no 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 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee.

## **12. Termination**

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

12.2 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;

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

12.4 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**

13.1 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.

13.2 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.



|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

**Gross Total Cost : Rs. ....**

We agree to execute the works in accordance with the approved drawings and technical specifications at ..... percentage above/ below the estimated rates, i.e., for a total contract price of Rs. ....(amount in figures) (Rs. .... amount in words).

**Signature of Contractor**

**INVITATION FOR QUOTATIONS FOR CONSTRUCTION OF  
CIVIL WORKS UNDER SHOPPING PROCEDURES**

To

---



---



---



---

Dear Sirs,

Sub : INVITATION FOR QUOTATIONS FOR CONSTRUCTION OF



---

1. You are invited to submit your most competitive quotation for the following works:-

| Brief Description<br>of the Works | Approximate value<br>of Works (Rs.) | Period of<br>Completion |
|-----------------------------------|-------------------------------------|-------------------------|
|-----------------------------------|-------------------------------------|-------------------------|

2. Government of India has received a credit from the International Development Association (IDA) in various currencies equivalent to US\$ \_\_\_\_\_ towards the cost of the \_\_\_\_\_ Project and intends to apply part of the proceeds of this credit to eligible payments under the contract for which this invitation for quotations is issued.

3[12]. The \_\_\_\_\_ Project in \_\_\_\_\_ state is being implemented by \_\_\_\_\_, which is an autonomous society registered under the Societies Registration Act.

4. To assist you in the preparation of your quotation, we are enclosing the following:

- i. Layout Drawings of the works;
- ii. Structural Details;
- iii. Detailed Bill of Quantities, with estimated rates and prices;
- iv. Technical Specifications;
- v. Instructions to Bidders (in two sections).
- vi. Draft Contract Agreement format, which will be used for finalizing the agreement for this Contract.

5. You are requested to provide your offer latest by ..... hrs. on .....

6. Quotations will be opened in the presence of Bidders or their representatives who choose to attend at \_\_\_\_\_ AM/PM on \_\_\_\_\_ in the office of \_\_\_\_\_.

7. We look forward to receiving your quotations and thank you for your interest in this project.

(Employer )

Name: \_\_\_\_\_

Address:  
\_\_\_\_\_

\_\_\_\_\_

No:

\_\_\_\_\_

Tel.

Fax No.

\_\_\_\_\_

## Instructions to Bidders

### SECTION - A

#### 1. Scope of Works

The \_\_\_\_\_ (Employer) invites quotations for the construction of works as detailed in the table given below

| Brief Description<br>of the Works | Approximate value<br>of Works (Rs.) | Period of Completion |
|-----------------------------------|-------------------------------------|----------------------|
|                                   |                                     |                      |

The successful bidder will be expected to complete the works by the intended completion date specified above.

2. **Qualification of the bidder:** The bidder shall provide qualification information which shall include:-

- (a) Total monetary value of construction works performed for each year of the last 3 years:
- (b) Income tax clearance certificate from the concerned IT circle;
- (c) Report on his financial standing; and
- (d) Details of any litigation, current or during the last 3 years in which the bidder is involved, the parties concerned and disputed amount in each case.

3. To qualify for award of the contract the bidder:-

- (a) should have satisfactorily completed as a prime contractor at least one similar work of value not less than Rs. 500,000 in the last three years;
- (b) should possess valid electrical license for executing building electrification works (in the event of the works being sub - contracted, the sub-contractor should have the necessary license);
- (c) should possess required valid license for executing the water supply/sanitary works (in the event of the works being sub-contracted, the sub-contractor should have the necessary license);

#### 4. Bid Price

- a) The contract shall be for the whole works as described in the Bill of quantities, drawings and technical specifications. Corrections, if any, shall be made by crossing out,

initialling, dating and re writing.

- b) All duties, taxes and other levies payable by the contractor under the contract shall be included in the total price.
- c) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.
- d) The rates should be quoted in Indian Rupees only.

## **5. Submission of Quotations**

**5.1** The bidder is advised to visit the site of works at his own expense and obtain all information that may be necessary for preparing the quotation.

**5.2** Each bidder shall submit only one quotation.

**5.3** The quotation submitted by the bidder shall comprise the following :-

- (a) Quotation in the format given in Section **B**.
- (b) Signed Bill of Quantities ; and
- (c) Qualification information form given in Section B duly completed.

**5.4** The bidder shall seal the quotation in an envelope addressed to the .....  
(Purchaser). The envelope will also bear the following identification:-

- Quotation for \_\_\_\_\_ (Name of the Contract)
- Do not open before \_\_\_\_\_ (time and date of quotation opening).

**5.5** Quotations must be received in the office of the ----- (Employer) not later than the time and date given in the letter of invitation. If the specified date is declared a holiday, quotations shall be received upto the appointed time on the next working day.

**1.6** Any quotation received by the ....., (Employer) after the deadline for submission of quotations will be rejected and returned unopened to the bidder.

## **6. Validity of Quotation**

Quotation shall remain valid for a period not less than 45 days after the deadline date specified for submission.

## **7. Opening of Quotations**

Quotations will be opened in the presence of bidders or their representatives who choose to attend on the date and time and at the place specified in the letter of invitation.

**8.** Information relating to evaluation of quotations and recommendations for the award of contract shall not be disclosed to bidders or any other persons not officially concerned with the process until the award to the successful bidder is announced.

## **9. Evaluation of Quotations**

The Employer will evaluate and compare the quotations determined to be substantially responsive i.e. which

- (a) meet the qualification criteria specified in clause 3 above;
- (b) are properly signed ; and
- (c) conform to the terms and conditions, specifications and drawings without material deviations.

**10. Award of contract**

The Employer will award the contract to the bidder whose quotation has been determined to be substantially responsive and who has offered the lowest evaluated quotation price and who meets the specified qualification criteria.

**10.1** Notwithstanding the above, the Employer reserves the right to accept or reject any quotations and to cancel the bidding process and reject all quotations at any time prior to the award of contract.

**10.2** The bidder whose bid is accepted will be notified of the award of contract by the Employer prior to expiration of the quotation validity period.

**11. Performance Security**

Within 15 days of receiving letter of acceptance, the successful bidder shall deliver to the ..... (Employer) the performance security (either a bank guarantee or a bank draft in favour of the Employer) for an amount equivalent of 3 % of the contract price. The Performance Security shall be valid till the expiry of the period of maintenance of the work, specified in clause 12.

**12. Period of Maintenance :**

The "Period of Maintenance" for the work is six months from the date of taking over possession or one full monsoon season whichever occurs later. During the period of maintenance, the contractor will be responsible for rectifying any defects in construction free of cost to the Employer.

**13.** Purchase of all construction materials including cement and steel as per the specifications (ISI certification marked goods wherever available) shall be the responsibility of the contractor.

.....

## **SECTION - B**

- 1. Format for Qualification Information.**
- 2. Format for Submission of Quotation.**
- 3. Format of Letter of Acceptance.**



Existing commitments and on-going works:

| <b>Description of Work</b> | <b>Place &amp; State</b> | <b>Contract No. &amp; Date</b> | <b>Value of Contract (Rs. Lakh)</b> | <b>Stipulated period of completion</b> | <b>Value of works* remaining to be completed (Rs. Lakhs)</b> | <b>Anticipated date of completion</b> |
|----------------------------|--------------------------|--------------------------------|-------------------------------------|--|--|---------------------------------------|
| <b>(1)</b>                 | <b>(2)</b>               | <b>(3)</b>                     | <b>(4)</b>                          | <b>(5)</b>                             | <b>(6)</b>   | <b>(7)</b>                            |
|                            |                          |                                |                                     |  |  |                                       |
|                            |                          |                                |                                     |  |  |                                       |

\* Enclose a certificate from Engineer concerned.



**1.4** Proposed subcontracts and firms involved.

| Sections of the works  | Value of Sub-contract   | Sub-contractor (name & address)   | Experience in similar work   |
|--|---|---|--|
|  |   |   |  |
| <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> | <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> | <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> | <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> <p style="text-align: center;">*</p> |
|  |   |   |  |

**1.5** Evidence of access to financial resources to meet the requirements of working capital: cash in hand, lines of credit, etc. List them below and attach copies of support documents.

**1.6** Name, address, and telephone, telex, and fax numbers of the Bidders' bankers who may provide references if contacted by the Employer.

**1.7** Information on litigation history in which the Bidder is involved.

| Other party (ies) | Employer | Cause of dispute | Amount involved | Remarks showing present status |
|-------------------|----------|------------------|-----------------|--------------------------------|
|                   |          |                  |                 |                                |
|                   |          |                  |                 |                                |
|                   |          |                  |                 |                                |

|  |  |  |  |  |
|--|--|--|--|--|
|  |  |  |  |  |
|  |  |  |  |  |

## QUOTATION

\*

Description of the Works:

To:

Subject : Construction of .....

.....

Reference : Letter No.....dated.....from.....

Sir,

We offer to execute the Works described in your letter referred to above in accordance with the Conditions of Contract enclosed therewith at ..... percentage above / below the estimated rates, i.e., for a total Contract Price of -

Rs.\*\* \_\_\_\_\_ [in figures]

Rs. \_\_\_\_\_ [in words].

This quotation and your written acceptance of it shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any quotation you receive.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

We hereby confirm that this quotation is valid for 45 days as required in Clause 6 of the Instructions to Bidders.

Yours faithfully,

Authorized Signature : Date: \_\_\_\_\_

Name & Title of Signatory : \_\_\_\_\_

Name of Bidder : \_\_\_\_\_

Address : \_\_\_\_\_

\* To be filled in by the Employer before issue of the Letter of Invitation.

\*\* To be filled in by the Bidder, together with his particulars and date of submission at the bottom of this Form.

**LETTER OF ACCEPTANCE  
CUM NOTICE TO PROCEED WITH THE WORK**

**(LETTERHEAD OF THE EMPLOYER)**

Dated : \_\_\_\_\_

[Name and address of the Contractor]

To : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sirs,

This is to notify you that your Quotation dated \_\_\_\_\_ for execution of the \_\_\_\_\_ for the contract price of Rupees \_\_\_\_\_ [amount in words and figures], is hereby accepted by us.

You are hereby requested to furnish performance security for an amount of Rs. \_\_\_\_\_ (equivalent to 3% of the contract price) within 15 days of the receipt of the letter. The Performance Security in the form of Bank guarantee or a Bank draft in favour of .....(Employer) shall be valid till the expiry of the period of maintenance i.e. upto \_\_\_\_\_. Failure to furnish the Performance Security will entail cancellation of the award of contract.

You are also requested to sign the agreement form and proceed with the work not later than \_\_\_\_\_ under the instructions of the Engineer, \_\_\_\_\_ and ensure its completion within the contract period.

With the issuance of this acceptance letter and your furnishing the Performance Security, contract for the above said work stands concluded.

Yours faithfully,

**Authorized Signature**  
**Name and title of Signatory**

# Draft Agreement form for Construction through National Shopping

## ARTICLES OF AGREEMENT

This deed of agreement is made in the form of agreement on \_\_\_\_\_ day \_\_\_\_\_ month \_\_\_\_\_ 199 \_\_\_\_, between the \_\_\_\_\_ (Employer) or his authorized representative (hereinafter referred to as the first party) and \_\_\_\_\_ (Name of the Contractor), S/O \_\_\_\_\_ resident of \_\_\_\_\_ (hereinafter referred to as the second party), to execute the work of construction of \_\_\_\_\_ (hereinafter referred to as works) on the following terms and conditions.

### 2. Cost of the Contract

The total cost of the works (hereinafter referred to as the "total cost") is Rs. \_\_\_\_\_ as reflected in Annexure - A.

### 3.1 Payments under its contract:

Payments to the second party for the construction work will be released by the first party in the following manner:-

|  |   |                       |
|--|---|-----------------------|
| On signing of agreement                                | : | 25% of total cost     |
| On reaching plinth level (first stage)                 | : | 25% of the total cost |
| On reaching lintel level (second stage)                | : | 25% of the total cost |
| On reaching roof level (third stage)                   | : | 15% of the total cost |
| Plastering and completion of whole work (fourth stage) | : | 10% of the total cost |

***(The above has been drafted for construction of school buildings; modify this suitably for other works)***

3.2 Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount ;
- (b) on certification of the invoice (except for the first installment) by the engineer nominated by the first party with respect to quality of works in the format in Annexure - B; and
- (c) upon proper and justified utilization of at least 50 % of the previous installment and 100 % of any prior installment.

### 4. Notice by Contractor to Engineer

The second party, on the works reaching each stage of construction, 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 stage 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 \_\_\_\_\_ (months/weeks/days) from the date of this 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 :

- k) The first party does not give access to the site or a part thereof by the agreed period.
- l) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.
  
- m) 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.
- n) Payments due to the second party are delayed without reason.
- o) 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. @ Rs. \*\_\_\_\_\_ 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 2 % of the contract amount.

**(Note : The amount of liquidated damages per day should be determined at 0.05 % of the contract value of the works and indicated here).**

## **8. Duties and responsibilities of the first party**

**8.1** 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.

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

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



**8.4** The Engineer or such other person as may be authorized by the first party shall hold meeting once in a month 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.

**8.5** 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**

**9.1** The second party shall :

- s) take up the works and arrange for its completion within the time period stipulated in clause 5;
  - t) employ suitable skilled persons to carry out the works ;
  - u) regularly supervise and monitor the progress of work ;
  - v) abide by the technical suggestions / direction of supervisory personnel including engineers etc. regarding building construction ;
  - w) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification ;
  - x) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation ;
  - y) keep the first party informed about the progress of work ;
  - z) be responsible for all security and watch and ward arrangements at site till handing over of the building to the first party ; and
  - aa) 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.
- f) Pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law).

## **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:-

- g)** 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.
- h)** 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.

i) 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 shall be provided to the Employer no 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 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee.

## **12. Termination**

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

12.2 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;

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

12.4 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**

13.1 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.

13.2 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.

**BILL OF QUANTITIES**

| Sl.<br>No. | Description of<br>Work | Qty. | Unit | Estimated Cost |          | Amount |
|------------|------------------------|------|------|----------------|----------|--------|
|            |                        |      |      | (Rs.)          |          |        |
|            |                        |      |      | In figure      | In Words |        |
|            |                        |      |      |                |          |        |

|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|

**Gross Total Cost : Rs. ....**

We agree to execute the works in accordance with the approved drawings and technical specifications at ..... percentage above/ below the estimated rates, i.e., for a total contract price of Rs. ....(amount in figures) (Rs. .... amount in words).

**Signature of Contractor**

**Format of certificate**

Certified that the works up to ----- level in respect of construction of ----- at ----- have been executed in accordance with the approved drawing and technical specifications.

Signature

Name & Designation

(Official address)

Place :

Date :

Office seal

**LETTER OF ACCEPTANCE CUM NOTICE TO PROCEED WITH THE WORK**

**(LETTERHEAD OF THE EMPLOYER)**

Dated : \_\_\_\_\_

[Name and address of the Contractor]

To : \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear Sirs,

This is to notify you that your Quotation dated \_\_\_\_\_ for execution of the \_\_\_\_\_ for the contract price of Rupees \_\_\_\_\_ [amount in words and figures], is hereby accepted by us.

You are hereby requested to furnish performance security for an amount of Rs. \_\_\_\_\_ (equivalent to 3% of the contract price) within 15 days of the receipt of the letter. The Performance Security in the form of Bank guarantee or a Bank draft in favour of .....(Employer) shall be valid till the expiry of the period of maintenance i.e. upto \_\_\_\_\_. Failure to furnish the Performance Security will entail cancellation of the award of contract.

You are also requested to sign the agreement form and proceed with the work not later than \_\_\_\_\_ under the instructions of the Engineer, \_\_\_\_\_ and ensure its completion within the contract period.

With the issuance of this acceptance letter and your furnishing the Performance Security, contract for the above said work stands concluded.

Yours faithfully,

**Authorized Signature**  
**Name and title of Signatory**



---

*[1] The Bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

*[2] Dates established in accordance with Clause 18.4 of the General Conditions of Contract (“GCC”), taking into account any warranty obligations of the Supplier under Clause 16.2 of the GCC intended to be secured by a partial Performance Guarantee. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the Bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: “We agree to a one-time extension of this Guarantee for a period not to exceed [six months] [one year], in response to the Purchaser’s written request for such extension, such request to be presented to us before the expiry of the Guarantee.”*

*[3] The bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

*[4] Insert the Delivery date stipulated in the Contract Delivery Schedule. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: “We agree to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the Purchaser’s written request for such extension, such request to be presented to us before the expiry of the Guarantee.”*

*[5] The Bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

*[6] Dates established in accordance with Clause 18.4 of the General Conditions of Contract (“GCC”), taking into account any warranty obligations of the Supplier under Clause 16.2 of the GCC intended to be secured by a partial Performance Guarantee. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the Bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: “We agree to a one-time extension of this Guarantee for a period not to exceed [six months] [one year], in response to the Purchaser’s written request for such extension, such request to be presented to us before the*

*expiry of the Guarantee.”*

[7] *The bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

[8] *Insert the Delivery date stipulated in the Contract Delivery Schedule. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: “We agree to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the Purchaser’s written request for such extension, such request to be presented to us before the expiry of the Guarantee.”*

1 Delete "corrected and" or "and modified" if only one of these actions applies. Delete "as corrected and modified in accordance with the Instructions to Bidders" if corrections or modifications have not been effected.

\* *Specify the financial years; they should be those immediately preceding the financial year in which the bids are received.*

\*\* *at least 50% of the estimated value of electrical/ water supply works.*

\* *the financial year in which bids are received*

1 *The value of B is based on the country’s inflation for the period in question. The borrower inserts the value in the bid document prior to issue.*

\* *Insert time and date; this should be the same as those given in the Invitation for Bids.*

1. *To be filled in by the Employer before issue of the Bidding Documents.*

2. *To be filled in by the Employer before issue of the Bidding Documents.*

3. *To be filled in by the Bidder, together with his particulars and date of submission at the bottom of the Form of Bid.*

1 Delete "corrected and" or "and modified" if only one of these actions applies. Delete "as corrected and modified in accordance with the Instructions to Bidders" if corrections or modifications have not been effected.

\* *Choose one alternative. Insert Chairman of the executive Committee of the Indian Roads Congress (for highway project) or any other appropriate institutions (for other types of works).*

\* *Strike out whichever is inapplicable*

\* *Strike out whichever is inapplicable*

[12] Delete if inapplicable

---

[\[i\]](#) The intent is to enable potentially interested consultants to decide whether or not to prepare an expression of interest.