

MUNICIPALITY

PERCENTAGE RATE TENDER AND CONTRACT FOR WORKS

GENERAL RULES AND DIRECTIONS FOR THE GUIDANCE OF CONTRACTORS

1. All works proposed for execution by contract shall be notified in a form of an invitation to tender posted on a board hung up in the office of and signed by the Municipal Engineer.

This form shall state the work to be carried out, as well as dates for submitting and opening tenders, and the time, allowed, for carrying out the work, also the amount of earnest money to be deposited with the tender, and the amount of the security deposit to be deposited by the successful tenderer and the percentage, if any, to be deducted from bills.

Copies of the specifications, designs and drawing and ^{Estimated rates} and any other documents _{Scheduled rates}

required in connection with the work, signed for the purpose of identification by the Municipal Engineer, shall also be open for inspection by the contractor at the office of the Municipal Engineer during office hours.

2. In the event of the tender being submitted by a firm, it shall be signed separately by each member thereof, or, in the event of the absence of any partner, it shall be signed on his behalf by a person holding a power of attorney authorizing him to do so.

3. Receipts for payments made on account of a work, when excused by a firm, shall also be signed by the several partners, except where the contractors are described in their tender as a firm, in which case the receipts shall be signed in the name of the firm by one of the partners, or by some other person having authority to give effectual receipts for the firm.

4. Any person who submits a tender shall fill up the usual printed form stating at how much per cent above or below the rates specified in the notice calling for tender he is willing to undertake the work. Only one rate of percentage more or less on all the ^{Estimated rates} shall be

^{Scheduled rates} named; tender, which propose any alteration in the work specified in the said form of invitation or tender, or in the time allowed for carrying out the work, or which contain any other conditions of any sort, shall be liable to rejection; on single tender shall include more than one work, but contractors who wish to tender for two or more works, shall submit a separate tender for each; tenders shall have the name and number of the work to which they refer written include the same envelope.

5. The Municipal Engineer or his any authorized persons will open tenders in the presence of any intending contractors who may be present at the time and shall enter the amounts of the several tenders in a comparative statement in a suitable form. In the event of a tender being accepted, a receipt for the earnest-money forwarded therewith shall thereupon be given to the contractor who shall thereupon for the purpose of identification sign copies of the specification and other documents mentioned in the notice calling for tenders. In the event of a tender being rejected, the earnest-money forwarded with such unaccepted tender shall thereupon be returned to the contractor making the same.

6. The Municipal Engineer shall have the right of rejecting all or each of new of the tenders.

7. The receipt of an accountant or clerk for any money pass by the contractor shall not be considered as any acknowledgement of payment to the Municipal Engineer and the contractor shall be responsible for seeing that the procures a receipt signed by the Municipal Engineer.

8. The memorandum of work tendered for the memorandum of materials to be supplied by the Municipal Work Department and their issue rates, shall be filled in and completed in the office Municipal Engineer before the tender form is issued. If a form is issued to an intending tenderer without having been so filled in and completed, the tender shall request the office to have this done before the completes and delivers his tender.

I/We hereby tender for the execution for the Municipal Committee or _____ of the work specified in the under-written memorandum within the time specified in such memorandum at * percent _____ the rates entered in the _____ estimate _____ mentioned in

* In figures as well as in words.

- (d) Security deposit (including earnest-money).
- (e) Percentage, if any, to be deducted from bills.
- (f) Time allowed for the work from date of written order to commence in _____ months.

— Rs.
Rs.

* Give particulars and numbers.

Strike out (a) if any cash security deposit is to be taken.

Strike out (b) if any cash security deposit is to be taken.

* Signature of contractor before submission of tender

Signature of witness to contractor's signature

Signature of the Officer by whom accepted.

Security deposit.

Compensation for delay.

Should this tender be accepted I/We hereby agree to abide by and run all the terms and provisions of the said conditions of contract annexed here so far as applicable, or in default thereof to forfeit and pay to the Municipal Committee or its successors the sums of money mentioned in the said conditions. The sum of, Rs. _____ is herewith forwarded in currency notes as earnest-money the full value of which is to be absolutely forfeited to the said Municipal Committee or its successors-in-office, without prejudice to any other rights or remedies of the said successors in office should I/We fail to commence the work specified in the above memorandum, or (a) should I/We not deposit the full amount of security deposit specified in the above memorandum in accordance with clause I (A) of the said conditions of contract, otherwise the said sum of Rs. _____ shall be retained by the Municipal Committee as on account of such security deposit as aforesaid; or (b) the full value of which shall be retained by the Municipal Committee on account of the security deposit specified in clause I(B) of the said conditions of contract.

Dated the _____ day of _____ 195
Witness
Address
Occupation

This tender is hereby accepted by me on behalf of the Municipal Committee of _____

Dated the _____ day of _____ 195
CONDITIONS OF CONTRACT

Clause 1—The person/persons whose tender may be accepted (hereinafter called the contractor shall, [A] (within ten days of the receipt by him of the notification of the acceptance of his tender) deposit with the Municipal Engineer in cash or Government securities endorsed to the Municipal Engineer (if deposited for more than 12 months) a sum sufficient (with the amount of the earnest-money deposited by him) with his tender to make up the full security deposit specified in tender [B] (permit the Municipal Committee at the time of making any payment to him for work done under the contract to deduct such sum as will—with the earnest-money deposited by him—amount to ten per cent of all moneys so payable, such deductions to be held by the Municipal Committee by way of security deposit). All compensation or other sums of money payable by the contractor to the Municipal Committee under the terms of his contract may be deducted from, or paid by the sale of a sufficient part of the security deposit, or from the interest arising therefrom or from any sums which may be due or may become due to the contractor by the Municipal Committee on any account whatsoever and in event of his security deposit being reduced by reason of any such deduction or sale as aforesaid, the contractor shall within ten days thereafter make good in cash or Government securities endorsed as aforesaid any sums which may have been deducted from or raised by sale of his security deposit or any part thereof.

Clause 2—The time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor and shall be reckoned from the date on which the order to commence work is given to the contractor. The work shall throughout the stipulated period of the contract be proceeded with all due diligence (time being deemed to be the essence of the contract on the part of the contractor) and the contractor shall pay as the Municipal Committee (whose decision in writing shall be final) may decide on the amount of the estimated cost of the whole works shown by the tender for every day that the work remains uncommenced or unfinished after the proper dates. And further, to ensure good progress during the execution of the work, the contractor shall be bound, in all cases in which the time allowed for any work exceeds one month, to complete one-fourth of the whole of the work before one-fourth of the whole time allowed under the contract has elapsed; one-half of the work; before one-half of such time has elapsed and three-fourths of the work, before three-fourths of such time has elapsed. In the event of the contractor failing to comply with the condition he shall be liable to pay as compensation an amount equal to one per cent, or such smaller amount as the Municipal Committee (whose decision in writing shall be final) may decide on the said estimated cost of the whole work for every day that the due quantity of work remains incomplete; *Provided always* that the entire amount of compensation to be paid under the provisions of this clause shall not exceed ten per cent on the estimated cost of the work as shown in the tender.

Clause 3—In any case in which under any clause or clauses of this contract the contractor shall have rendered himself liable to pay compensation amounting to the whole of his security deposit (whether paid in one sum or deducted by instalments) the Municipal Engineer, on behalf of the Municipal Committee, shall have power to adopt any of the following courses as he may deemed best suited to the interests of the Committee.

Action where whole of security deposits is

- (c) To measure up the work of the contractor, and to take such part thereof as shall be unexecuted out of his hands, and to give it to another contractor to complete, in which case any expenses which may be incurred in excess of the sum, which would have been paid to the original contractor, if the whole work had been executed by him (as to the amount of which the excess certificate in writing of the Municipal Engineer shall be final and conclusive) shall be borne and paid by the original contractor and may be deducted from any money due to him by the Committee under the contract or otherwise, or from his security deposit or the proceeds of sale thereof or a sufficient part thereof.

In the event of any of the above causes being adopted by the Municipal Engineer, the contractor shall have no claim to compensation for any loss sustained by him by reason of his having purchased or procured any materials, or entered into any engagements or made any advance, on account of, or with a view to the execution of the work or the performance of the contract; and in case the contract shall be rescinded under the provision aforesaid, the contractor shall not be entitled to recover or be paid any sum for any work therefore actually performed under this contract, unless and until the Municipal Engineer shall have certified in writing the performance of such work and the value payable in respect thereof and the contractor shall only be entitled to be paid the value so certified.

Contractor remains liable to pay compensation if action be not taken under clause 2.

Clause 4—In any case in which any of the powers conferred upon the Municipal Engineer by clause 3 thereof shall have become exercisable and the same shall not be exercised the non-exercise thereof shall not constitute waiver of any of the conditions hereof and such powers shall notwithstanding be exercisable in the event of any future case of default by the contractor for which by any clause or clauses hereof he is declared liable to pay compensation amounting to the whole of his security deposit, and the liability of the contractor for past and future compensation shall remain unaffected. In the event of the Municipal Engineer putting in force either of the power (b) vested in him under the proceeding clause he may, if he so desires, take possession of all or any tools, plant, materials and stores in or upon the works or the site thereof or belonging to the contractor, or procured by him and intended to be used for the execution of the work or any part thereof, paying or allowing for the same in account at the contractor rates, in case of these not being applicable at current market rates to be certified by the Municipal Engineer, whose certificate thereof shall be final, otherwise the Municipal Engineer may by notice in writing to the contractor or his clerk of the works, foreman or other authorized agent require him to remove such tools, plants materials, or stores from the premises within a time to be specified in such notice and in the event of the contractor failing to comply with any such requisition the Municipal Engineer may remove them at the contractor's expense or sell them by auction or private sale on account of the contractor and at his risk in all respects and the certificate of the Municipal Engineer as to the expense of any such removal, and the amount of the proceeds and expense of any such sale shall be final and conclusive against the contractor.

Power to taken possession of or require removal of or sell contractor's plant.

Clause 5—If the contractor shall desire an extension of the time for completion of the work on grounds of having been unavoidably hindered in its execution or on any other ground, he shall apply in writing to the Municipal Engineer within 30 days from the date of the hindrance on account of which he desires such extension aforesaid, and the Municipal Engineer shall if in his opinion (which shall be final) reasonable grounds be shown, therefore authorize such extension of time, if any, as may, in his opinion, be necessary or proper.

Extension of time.

Clause 6—On completion of the work the contractor shall be furnished with a certificate by the Municipal Engineer of such completion but no such certificate shall be given nor shall the work be considered to be complete until the contractor shall have remove from the premises on which work has been executed all scaffolding, surplus materials and rubbish, and cleaned off the dirt from all wood-work doors, windows, walls floors, or other part of any building, in, upon or about which the work is to be executed, or of which he may have had possession for the purpose of the execution thereof, or until the work shall have been measured by the Municipal Engineer or his subordinate in charge of the work whose measurements shall be binding and conclusive against the contractor. If the contractor shall fail to comply the requirements of this clause as to removal of scaffolding, surplus materials and rubbish, and cleaning off of dirt on or before the date fixed for the completion of the work; the Municipal Engineer may, at the expense of the contractor, remove such scaffolding, surplus materials and rubbish and dispose of the same as he thinks fit and clean off such dirt as aforesaid; and the contractor shall forthwith pay the amount of all expense so incurred, and shall have no claim respect of any such scaffolding or surplus materials as aforesaid expect for any sum actually realized by the sale thereof.

Final certificate.

Clause 7—No payments shall be made for works estimated to cost and than rupees one thousand, till after the whole of the work shall have completed and a certificate of completion given. But in the case of works estimated to cost more than rupees one thousand, rupees, the contractor shall on submitting the bill therefore be entitled to receive a monthly payment proportionates to the part thereof than approved and passed by the Municipal Engineer final and conclusive against the contractor. But all such intermediate pay whose certificate of such approval and passing of the sum so payable shall be final and conclusive against the contractor. But all such intermediate pay accounts shall be regarded as payments by way of advance against the final payments only and not as payments for work actually done and completed, and shall not preclude the requiring of bad, unsound, and imperfect for

Payments on intermediate certificates to be regarded as advance

Bills to be submitted monthly.

Clause 8—A bill shall be submitted by the contractor each month on or before the date fixed by the Municipal Engineer for all work executed in the previous month, and the Municipal Engineer shall take or cause to be taken the requisite measurements for the purpose of having the sum verified, and the claim, so far as admissible, adjusted if possible, before the expiry of ten days from the presentation of the bill. If the contractor does not submit the bill within the fixed as aforesaid, the Municipal Engineer may depute a subordinate to measure up the said work in the presence of the contractor, whose counter-signature to the measurement list will be sufficient warrant, and the Municipal Engineer may prepare a bill from such list which shall be binding on the contractor in all respects.

Clause 9—The contractor shall submit all bills on the printed forms to be had on application at the office of Municipal Engineer and the charges in the bills shall always be entered at the rates specified in the tender, or, in the case of any extra work ordered in pursuance of these conditions and not mentioned or provided for in the tender, at the rates hereinafter provided for such work.

Stores supplied by Committees.

Clause 10—If the specification or estimate of the work provides for the use of only special description of materials to be supplied from the Municipal Engineer's store, or if it is required that the contractor shall use certain stores to be provided by the Municipal Engineer such materials and stores, and the prices to be charged therefore as hereinafter mentioned being so far as practicable for the convenience of the contractor, but not so as in any way to control the meaning, or effect, of this contract, specified in the schedule or memorandum hereto annexed, the contractor shall be supplied with such materials and stores as required from time to time to be used by him for the purpose of the contract only, and the value of the full quantity of materials and stores so supplied at the rates specified in the said schedule or memorandum may be set off or deducted from any sums then due, or thereafter to become due, to the contractor or otherwise under the contract, or against or from security deposit, or the proceeds of sale thereof if the same is held in Government securities, the same or a sufficient portion thereof being in this case sold for the purpose. All materials supplied to the contractor shall remain the absolute property of the Committee and shall not on any account be removed from the site of the work, and shall at all times be open to inspection by the Municipal Engineer. Any such materials unused and in perfectly good condition at the time of the completion or determination of the contract shall be returned to the Municipal Engineer's store if by a notice in writing under his hand he shall so require, but contractor shall not be entitled to return any such materials unless with such consent, and shall have no claim for compensation on account of any such materials supplied to him as aforesaid being unused by him, or for any wastage in, or damage to any such materials.

Works to be executed in accordance with specifications, drawings, orders, etc

Clause 11—The contractor shall execute the whole and every part of the work in the most substantial and workman like manner and both as regards materials and otherwise in every respect in strict accordance with the specifications. The contractor shall also conform exactly, fully and faithfully to the designs, drawings and instructions in writing relating to the work signed by the Municipal Engineer and lodged in his office, and to which the contractor shall be entitled to have access at such office, or on the site of the work for the purpose of inspection during office hours, and the contractor shall if he so requires, be entitled at his own expense to make or cause to be made copies of the specifications and of all such designs, drawing and instructions as aforesaid.

Alterations specifications and designs do not invalidate contracts Extension of time in consequence of alterations

Clause 12—The Municipal Engineer shall have power to make any alterations in, or addition to, the original specifications, drawings designs and instructions that may appear to him to be necessary or in a advisable during the progress of the work and contractor shall be bound to carry out the work in accordance with any instruction which may be given to him in writing signed by the Municipal Engineer and such alteration shall not invalidate the contract, and any additional work for which the contractor may be directed to do in the manner above specified as part of the work shall be carried out by the contractor on the same conditions in all respects at those on which he agreed to do the main work, and at the same rates as are specified in the tender for the main work. The time for the completion of the work shall be extended in the proportion and the additional work bears to the original contract work, and the certificate of the Municipal Engineer shall be conclusive as to such proportion, and if the additional work includes any class of work, for which no rate is specified in the contract, then such class of work shall be carried out at the rates entered in the schedule of rates of the Municipality and if such last mentioned class of work is not entered in the

Rates for works not in estimate or in schedule of rates of the municipality.

Clause 13—If at any time after the commencement of the work the Committee shall for any reason whatsoever not require the whole thereof as specified in the tender to be carried out, the Municipal Engineer shall give notice in writing of the fact to the contractor, who shall have no claim to any payment or compensation whatsoever on account of profit or any advantages, which he might have derived from the execution of the work in full, but which he did not derive in consequence of the full amount of work not having been carried out, neither shall he have any claim for compensation by reason of any alterations having been made in the original specifications, drawings, designs, and instructions which shall involve any curtailment of the work as originally contemplated.

No. compensations for alteration in or restriction of work to be carried out.

Clause 14—If it shall appear to the Municipal Engineer or his subordinate in charge of the work that any work has been executed with unsound, imperfect, or unskilful workmanship, or with materials of any inferior description, or that any materials or articles provided by him for the execution of the work are unsound, of a quality inferior to that contractor for, or otherwise not in accordance with the contract the contractor shall, on demand in writing from the Municipal Engineer specifying work materials or articles complained of notwithstanding that the same may have been inadvertently passed, certified in whole or in part, as the case may require, or as the case may be, remove the materials or articles so specified and provide other proper and suitable materials or articles at his own proper charge and cost, and in the event of his failing to do so within a period to the specified by the Municipal Engineer in his demand aforesaid, then the contractor shall be liable to pay compensation at the rate of one per cent on that amount of the estimate for every day not exceeding ten days, while failure to do so shall continue, and in the case of any such failure, the Municipal Engineer may rectify, or remove and re-execute the work or remove and replace with others, the materials or articles complained of as the case may be, at the risk and expense in all respects of the contractor.

Action and compensation payable in case of bad work.

Clause 15—All work under, or in course of execution or executed in pursuance of the contract shall at all times be opened to the inspection and supervision of the Municipal Engineer and his subordinates and the contractor shall at all times during the usual working hours, and at all other times at which reasonable notice of the intention of the Municipal Engineer or his subordinate to visit the works shall have been given to the contractor either himself be present to receive orders and instruction, or have a responsible agent duly accredited in writing present for that purpose. Orders given to the contractor's agent shall be considered to have the same force as if they had been given to the contractor himself.

Works to be open to inspection.

Contractor or responsible agent to be present.

Clause 16—The contractor shall give not less than five days, notice in writing to the Municipal Engineer or his subordinates in charge of the work before covering up or otherwise placing beyond the reach of measurements any work in order that the same may be measured and correct dimensions thereof be taken before the same is recovered up or placed beyond the reach of measurement any work without the consent in writing of the Municipal Engineer or his subordinate in charge of the work and if any work shall be covered up or placed beyond the reach of measurement without such notice having been given or, consent obtained, the same shall be uncovered at the contractor's expense, or in default thereof, no payment or allowance shall be made for work or the materials with which the same was executed.

Notice to be given before work is covered up.

Clause 17—If the contractor or his work people or servants shall break, deface, injure or destroy any part of a building in which they may be working or any building, road, fence, enclosure, or grass land or cultivated ground contiguous to the premises on which the work or any part of it is being executed, or if any damage shall happen to the work while in progress from any cause whatever or any imperfections become apparent to it within six months after a certificate final or other of its completion shall have been given by the Municipal Engineer as aforesaid, the contractor shall make the same good his own expense; or, in default, the Municipal Engineer may cause the same to be made good by other workmen, and deduct the expense (of which the certificate of the Municipal Engineer shall be final) from any sums that may be then, at any time thereafter may become, due to the contractor or from his security deposit, or the proceeds of sale thereof, a sufficient portion thereof.

Contractor liable for damage done, and for imperfection for 6 months after certificate.

Clause 18—The contractor shall supply at his own cost all material (except such special materials, if any as may in accordance with the contract be supplied from the Municipal Engineer's stores), plant, tool, appliance, implements, ladders, cordage, tackle, scaffolding and temporary works requisite or proper for the proper execution of the work whether original, altered or substituted, and whether included in the specification or other documents forming part of the contract or referred to in these conditions or not, or which may be

Contractor to supply last adds scaffoldings, etc.

action or other proceedings at law that may be brought by any person injury sustained owing to neglect of these precautions, to pay damages and costs which may be awarded in any such suit, action, or proceedings to any such person or which may with the consent of the contractor be paid to compromise any claim by any such person.

Work on Sundays.

Clause 19—No work shall be done on Sunday without the sanction, in writing, of the Engineer.

Work not to be sublet. Contact may be rescinded and security deposit forfeited for subletting bribing or if contractor becomes insolvent.

Clause 20—The contract shall not be assigned or sublet without the written approval of the Municipal Engineer. And of the contractors shall assign or sublet his contract, or attempts so to do, or become insolvent or commences any insolvency proceedings or makes any composition with his creditors, or attempts so do or if any bribe, gratuity, gift, loan perquisite, reward or advantage, pecuniary or otherwise shall either directly or indirectly be given, promised, or offered by the contractor, or any of his servants or agents to any offer or person in the employ of the Committee in any way relating to his office or employment, or if any such officer or person shall become in any way directly or indirectly interested in the contract the Municipal Engineer may thereupon by notice in writing rescind the contract and the security deposit of the contractor shall thereupon stand forfeited and the absolutely at the deposit of the Committee, and the same consequences shall ensure as if the contract had been rescinded under clause (3) thereof and in addition the contractor shall not be entitled to recover or be paid for any work therefore actually performed under the contract.

Sum payable by way of compensation to be considered as reasonable without reference to actual case.

Clause 21—All sums payable by way of compensation under any of these conditions shall be considered as reasonable compensation to be applied to the use of the Committee without reference to the actual loss or damage sustained and whether or not any damage shall have been sustained.

Changes in Constitution.

Clause 22—In the case of a tender by partners any change in the constitution of the firm shall be forthwith notified by the contractor to the Municipal Engineer for his information.

Works to be under direction of Municipal Committee.

Clause 23—All works to be executed under the contract shall be executed under the direction and subject to the approval in all respects of the Municipal Engineer for the time being who shall be entitled to direct at what point or points and in what manner they are to be commenced and from time to time carried on.

Decision of Superintending Engineer to be Final.

Clause 24—Except where otherwise specified in the contract, the decision of the Superintending Engineer of the Circle of the Buildings and Road Branch of the Public Work Department for the time being shall be final, conclusive and binding on all parties to the contract upon all questions relating to the meaning of the specifications, designs, drawings, and instructions hereinbefore mentioned and as to the quality of workmanship, or materials used on the work or as to any other question, claim, right matter, or thing whatsoever, in any way arising out of, or relating to the contract, designs, drawings, specifications, estimates, instructions, order, or these conditions, or otherwise concerning the works, or the execution of failure to execute the same, whether arising during the progress of the work, or after the completion or abandonment, thereof of the contract by the contractor shall be final conclusive and binding on the contractor.

Store of European or American manufacture to be obtained from the Municipal Engineer.

Clause 25—The contractor shall obtain from the stores of the Municipal Engineer all stores and articles of European or American manufacture which may be required for the work, or any part thereof or in making up articles required therefore or in connection therewith unless he has obtained permission in writing from the Municipal Engineer to obtain such stores and articles elsewhere. The value of such stores and articles as may be supplied to the contractor by the Municipal Engineer shall be debited to the contractor in his account at the rates shown in the schedule attached to the contract, and if they are not entered in the schedule, they shall be debited at cost price, which for the purpose of this contract shall include the cost of carriage and all other expenses whatsoever which shall have been incurred in obtaining delivery of the same at the stores aforesaid.

Lump sums of estimates.

Clause 26—When the estimate on which the tender is made including jump sums in respect of parts of the work the contractor shall be entitled to payment in respect of the items of work involved or the part of the work in question at the same rates as are payable under the contract for such items, or if the part of the work in question is not, in the opinion of the Municipal Engineer, capable of measurement the Municipal Engineer may at his discretion pay the lump sums amount entered in the estimate, and the certificate, in writing of the Municipal Engineer shall be final and conclusive against the contractor with regard to any way or sums payable to him under the provisions of this clause.

Action where no specification.

Clause 27—In the case of any clause of work for which there is no such specification as is mentioned in the notice calling for tenders, such work shall be carried out in accordance with

Clause 29 – The Municipal Engineer shall not exercise any power conferred upon him by these conditions as against the contractor except with the approval of the authority which accepted the tender.

Clause 30 – The terms and conditions of the agreement have been explained to me/us and I/we clearly understand them.

Schedule showing (approximately) material to be supplied from the District Work Department Stores for work contract to be executed and the rates at which they are to be charged for.

Particulars	Rates at which the material will be charged to the contractor.			Place of deliver
	Unit	Rs.	Ps.	

Note - The person or firm submitting the tender should see that the rates in this schedule are filled up by the Municipal Engineer in charge on the issue of the form prior to submission of the tender.