

(REVISED)
CONTRACT FORM FOR EXECUTION OF WORKS
GOVERNMENT OF THE PUNJAB

PUNJAB BUILDINGS DEPARTMENT

TENDER/CONTRACT DOCUMENTS

Name of Work _____

Name of CONTRACTOR _____

Estimated Cost of work Rs. _____

Amount of Earnest Money Rs. _____

Deposit at Call No. _____

Treasury Challan No. _____

Time Limit _____

GENERAL CONDITIONS OF CONTRACT DEFINITIONS AND INTERPRETATIONS

Definitions Clause1:

In the contract (as herein after defined) the following words and expressions shall have the meanings hereby assigned to them, except where the context otherwise expenes.

- (1) "Agent: means the person appointed by the contractor to act on his behalf in his absence.
- (2) "Certificate of Completion" means the certificate of completion given by the engineer-in-charge pursuant to clause 40 of these conditions.
- (3) "Contract" means the contract agreement, the documents set out and therein and includes the conditions of contract, the tender and acceptance thereof, the specifications, the drawings, the bid schedule, schedule of rates and the prices.
- (4) "Contractor" means the person or persons, firm or company whose tender has been accepted by the engineer-in-charge, and shall include the contractor's duly authorized representative, successors and assigns.
- (5) "Contract Price" means the sum named in the tender, subject to such addition thereto or deductions there from as may be made; under the provisions of the contract;
- (6) "Constructional plant" means all appliances, or things required in or about the execution, completion, or maintenance of the works or temporary works, but does not include the materials or other things intended to form or forming part of permanent or temporary works;
- (7) "Drawings" means the drawings (s) referred to in the contract documents and any modifications of such drawings(s) as may from time to time be furnished or approved in writing by the engineer-in-charge.
- (8) "Engineer-in-charge" means the executive engineer or any other officer who for the time being and from time to time is in charge of the works and includes an officer appointed by the Government to

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act as engineer-in-charge for the purposes of the contract.

(9) "Government" means the Government of the Punjab.

(9-a) "Item rates" mean the rates determined on the basis of the market rates system introduced by the Government in replacement of the Composite Schedule of rates 1998 through Finance Department Notification No. RO (TEC) F.D. -2-3/2004 dated 2-8-2004.

(10) "Period of maintenances" means the period during which the contractor is obliged to guarantee the work or defined portions of work against defect and during which he is obliged to perform any maintenance procedure that may be specified by the engineer-in-charge and shall be calculated from the date of the certificate of completion given by the engineer-in-charge in accordance with clause 40 hereof or in the event of more than one certificate having been issued by the engineer-in-charge under the said clause from the respective dates so certified.

(11) "Maintenance" means the repairs, amendment, reconstruction and include the rectification of defects, imperfections, shrinkages and other faults except fair wear and tear as may be required of the contractor in writing by the engineer-in-charge during the period of maintenance.

(12) "Programme of work" means the programme of work submitted by the contractor and approved by the engineer-in-charge and includes and amendment thereto made from time to time and approved by the engineer-in-charge.

(13) Omitted.

(14) "Site" means the lands and other places on, at, over, under, in or through which the works are to be executed or carried out in pursuance of the contract or any adjacent land, or path or street, which may be allotted or used for the purpose of carrying out the contract or any lands or places provided by the engineer-in-charge for the purpose of the contract together with such other places as may be specifically designated in or pursuant to the contract as forming part of the site;

(15) "Specifications" means the specification referred to in the tender and any modification thereof or addition thereto as may from time to time be furnished or approved in writing by the engineer-in-charge;

(16) "Temporary Works" means all temporary works of every kind

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required in or about the construction, completion or maintenance of the works;

- (17) "Works" means the works to be executed in accordance with the contract and includes any permanent works as required for the performance of the contractor;

Clause 2:

Marginal heading for information

The marginal headings, the words, notes, titles and phrases used in these general conditions and documents attached hereto, are strictly for information and direction of the reader with regard to the contents of the said documents and shall by no means be invoked for interpretation of the said clauses nor shall they be deemed to be part thereof or be taken in to consideration in the interpretation thereof or of the contract;

Clause 3:

Terms to include design, nations of corresponding post.

The term "Executive Engineer/District Officer", "Superintending Engineer / Executive District Officer" and "Chief Engineer" used in the contract and the documents attached thereto, shall respectively be taken to include the terms "Deputy Director", "Director" and "Director General" or the holder of the corresponding posts in relation to the work;

CONTRACT DOCUMENTS.

Clause 4:

Documents mutually explanatory

Except if and to the extent otherwise provided by the contract, the conditions of contract and additional conditions annexed hereto shall prevail over those of any other document forming part of the contract. Subject to the foregoing the several documents forming the contract are to be taken as mutually explanatory of one another, but in case of any error, omission, ambiguity or discrepancy is found between these documents, the same shall be reported to the engineer-in-charge who shall correct such error or omission or explain and adjust the ambiguity or discrepancy, as the case may be, and shall thereupon issue to the contractor instructions directing in what manner the work is to be carried out. Provided always that if in the opinion of the engineer-in-charge compliance with any such instructions shall involve the contractor in any expenses which by reason of any such error, omission, ambiguity or discrepancy, the contractor did not have reasons to anticipate, the engineer-in-

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Charge shall pay such additional sums as he shall certify to be reasonable to cover; such expenses. Provided further that any work done by the contractor, which perpetuates or adds to any error, omission, ambiguity or discrepancy, already discovered and pointed out, shall be considered to have been done at the contractor's own risk;

Clause 5:

- | | |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Custody of drawings | (1) The drawings shall remain in the sole custody of the engineer-in-charge but two sets of the detailed or working drawings will be obtained by the contractor free of cost from the engineer-in-charge after acceptance of his tender. The contractor shall provide and make at his own expense any further copies required by him. On the completion of the contract, the contractor shall return to the engineer-in-charge all drawings provided to him under the contract. |
| Classified drawings | (2) If so instructed, the contractor shall undertake not to disclose details of classified drawings, other than to men in his employ, and will give an undertaking to the engineer-in-charge that these drawings are not replicated or passed on to others or used by any other agency / person. |
| One copy of drawings to be kept on site | (3) One copy of the drawings furnished to the contractor as aforesaid shall be kept by the contractor at site and the same shall at all reasonable times also be made available for inspection and used by the engineer-in-charge or by any of his superior officer, or by any other person authorized by the engineer-in-charge in writing; |
| Further drawings and instructions | (4) The engineer-in-charge shall supply to the contractor, from time to time during the progress of the works, such further drawings and instructions as shall be necessary for the purpose of the proper and adequate execution and maintenance of the works, and the contractor shall carry out and be bound by the same. The contractor shall give adequate notice in writing, to the engineer-in-charge of any such further drawing and instructions that the contractor may require for execution of works or other wise under the contract, |

GENERAL OBLIGATIONS.

Clause 6:

Contract Agreement

The contractor shall, when called upon so to do by the engineer-in-charge enter into and execute a contract agreement in the form annexed.

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Clause 7:

Performances
security

The contractor shall (a) within 15 days of the receipt by him of the notification of the acceptance of his tender furnish to the engineer-in-charge in cash, bank draft, Cashier's cheque or payment order or Bank Guarantee from the bank of Punjab or any scheduled bank of Pakistan, the amount to make up the full performance security where required and specified in the tender and /or (b) permit Government at the time of making any payment to him for work done under the contract to deduct such sum as specified in item(h) of memorandum and moneys or deductions so paid or made shall be held as additional security deposit. All compensations or other sums of money payable by the contractor under the terms of this contract may be deducted from, or paid by the sale of the sufficient part of his performance security, and in the event of his performance security reduced by reasons of any such deduction or sale as aforesaid, the contractor shall within ten days thereafter make good in cash or other securities as aforesaid any sum or sums which may have been deducted from, or raised any sale of performance security or any part thereof.

If the amount of the performance security is not furnished within the period specified at (a) above the tender already accepted shall be considered as cancelled and the tender security will be confiscated by the engineer-in-charge. The performance security deposit lodged by a contract (In cash or /other form or retained in installments from his bills) shall be refunded to him after the expiry of three months from the date on which the work is accepted, or along with the final bill if it is prepared after that period on account of some unavoidable circumstances.

Clause 8:

Programme of
work to be
furnished if
so required by
engineer-in -

- (1) The contractor shall, if so required by the engineer-in-charge, submit in writing to the engineer-in-charge within the period specified by him for his approval a programme showing the order of procedure and the method in which he proposes to carry out the works. The time and progress chart shall be prepared in direct relation to the time period stated in item (g) of the memorandum hereto annexed for the completion of individual items thereof and the works as a whole. It shall indicate the forecast of the dates for commencement and completion of various trade processes or section of the works, and shall be amended as may be required by agreement between the engineer-in-charge and the contractor within the limitation of time imposed in the contract documents.

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- (2) The contractor shall also, whenever required by the engineer-in-charge, furnish for his information full particulars in writing of the organization and staff by which he proposes to direct and administer his performance of the contract and also such further information concerning the contractor's arrangements for the carrying out of the work and of the constructional plants or temporary works which the contractor intends to supply, use or construct, as the case may be.
- (3) The submission to and approval by the engineer-in-charge of such programme, or the furnishing of such particulars or information shall not relieve the contractor of any of his duties or responsibilities under the contract.
- (4) In the event of the non-submission of the programme or revised/ amended programme of work by the contractor for approval by the engineer-in-charge within the period specified by the engineer-in-charge, the contractor shall be liable to pay as compensation an amount equal to ¼% per day or such smaller amount as the engineer-in-charge (whose decision in writing shall be final) may decide on the total tendered amount of the work, subject to a maximum of 2% of contract amount;

Action when
programme
not submitted
in time

Clause 9:

Setting Out

The contractor shall be responsible for the true and proper setting out of the works in relation to original points lines and levels of reference given by the engineer-in-charge in writing, and for the correctness (subject as above mentioned) of the position, levels, dimensions and alignments of all parts of the works and for the provision of all necessary instrument, appliances and labour in connection therewith. If at any time during the progress of the work, any error shall appear or arise in the position, levels, dimensions, or alignment of any part of the works, the contractor on being required so to do by the engineer-in-charge, shall at his own expense, rectify such error to the satisfaction of the engineer-in-charge, unless such error is based on incorrect data, supplied in writing by the engineer-in-charge, in which case the expenses of rectifying the same shall be borne by the Government. The checking of any setting out or of any line or levels by the engineer-in-charge shall not in any way relieve the contractor of his responsibility for the correctness thereof, and the contractor shall carefully protect and preserve all points marks, lines, levels, bench

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marks, site rails, pegs, slope-stakes, batten-boards, stakes for location, and other things used in setting out the works,

Clause 10:

Works to be executed in accordance with the specifications / drawings etc.

The contractor shall execute the whole and every part of the works in the most substantial and workman like manner, and both as regards material and otherwise in every respect in strict accordance with specifications. The work executed by the contractor shall also conform to the design(s) and / or drawings and instructions in writing relating to the work signed by the engineer-in-charge 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. The contractor shall, if so required, be entitled at his own expenses to make or cause to be made copies of specifications, and of all such designs, drawings and instructions as aforesaid.

Clause 11:

Action where specifications are provided

In the case of any class of work for which there is no such specification as in mentioned in para 2 of the general directions for the guidance of the tenderer annexed hereto, such work shall be carried out in accordance with the prescribed standard specifications, and in the event of there being no such specifications, in accordance with the specification attached with the tender. If however, there is no standard specification or specifications attached with the tender, the work shall be carried out, in all respects in accordance with the instructions and requirement of the engineer-in-charge.

Clause 12.

Works to be under directions of engineer-in-charge

All works to be executed under the contract shall be executed under the directions and subject to the approval in all respects, of the engineer-in-charge 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.

Clause 13:

Lighting at night work.

- (1) In the event of night work being carried on, the contractor shall provide and maintain such good and sufficient lights as will enable the work to proceed with satisfactorily and without danger. Similarly, the approach to the site and works; where the night work is being carried out shall be efficiently lighted. All arrangements adopted for such lighting shall be to the satisfaction

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of the engineer-in-charge.

Watching and
lightning.

- (2) The contractor shall in connection with the work provided and maintain at his own cost all lights, warning lights, caution boards, attendants, guard fencing and watch men, when and where necessary or required by the engineer-in-charge, for the protection of the work or for the safety and convenience of the public or others.

Clause 14:

Arrangements
to safeguard
danger to
unfinished
work.

The contractor is expected to make himself acquainted with the weather conditions, etc; and make his arrangements in such a manner that unfinished work is not in danger from storms, floods, etc. A claim by the contract or for a loss caused by any such eventuality will not be entertained by the Government.

Clause 15:

Contractor to
supply plant,
ladders,
scaffolding
etc.

Contractor
liable to pay
damages
arising from
non provision
of lights,
fencing etc.

The contractor shall supply at his own cost all materials (except such materials, if any, as may in accordance with the contract be supplied from the departmental store) constructional plants, tools, appliances, implements, ladders, cordage, tackles, scaffoldings and temporary works, requisite or proper for the execution of the works; whether original, altered or substituted, and whether included in the specifications or other documents forming part of the contract referred to in these conditions or not, or which may be necessary for the purpose of satisfying or complying with the requirements of the engineer-in-charge as any matter as to which under these conditions he is entitled to be satisfied, or which he is entitled to require together with carriage therefore, to and from the work. The contractor shall also supply without charge the requisite number of persons with the means and materials necessary for the purpose of setting out works, and counting, weighing, and assisting in measurement or examination at anytime, and from time to time of the work or materials. Failing his so doing the same may be provided by the engineer-in-charge at the expense of the contractor, and the expenses may be deducted from any money due to the contractor under the contract, or from his security deposit. The contractor shall also provide all necessary fencing and lights required to protect the public from accident, and shall be bound to bear the expenses of defence of every suit action or other proceedings at law that may be brought by any person for injuries sustained by him owing to neglect in taking the above precautions and to pay any damages and costs which may be awarded in any

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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.

Clause 16:

Notice to be given before the work is covered up.

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

Clause 17:

Contractor's employees

- (1) The contractor shall provide and employ on the site for the purpose of and in connection with the execution and maintenance of the work under the contract.
 - (a) Only such engineer and technical assistance as are skilled and experienced in their respective callings, and such sub-agents, foremen and leading hands as are competent to give proper supervision of the work, they are required to supervise; and
 - (b) Such skilled, semi-skilled and unskilled labour as is necessary for the proper and timely execution and maintenance of works under the contract.

Removal of contractor's employees

- (2) (i) The engineer-in-charge shall have full powers at all times to object to the employment and to require the contractor to remove forthwith from the site, the agent, workman, foreman or any other person employed by the contractor or any sub-contractor, who in the opinion of the engineer-in-charge misconducts himself or is incompetent or negligent in the proper performance of his duties or whose employment is otherwise considered by the engineer-in-charge to be undesirable, and the contractor shall comply with the request forthwith.

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- (II) No such agent, workman, foreman or other employees after his removal from the work by request of the engineer-in-charge shall be re-employed or reinstated by the contractor for the purposes of and in connection with the contract at any time, except with the prior approval in writing of the engineer-in-charge.

Clause 18:

Whole time
qualified
technical
personnel for
supervision of
work.

- (a) The contractor shall employ for each contract, whole time qualified technical personnel to the satisfaction of the engineer-in-charge for the supervision of the work at the scale given below:-

On contracts valuing:

- | | |
|-------------------------------|----------------------------------|
| (i) Upto Rs. 7.5 million. | ...one diploma engineer |
| (ii) exceeding Rs.7.5 million | ...one senior graduate engineer |
| | ...one junior graduate engineer. |

- (b) If the contractor fails to employ the qualified technical personnel to the above scale, the engineer-in-charge shall, after giving the contractor 15 days notice to this effect, have the option to employ to make up the deficiency in the number of such persons at the risk and cost of the contractor.

Clause 19:

Opportunities
for other
contractors

The contractor shall in accordance with the requirements of the engineer-in-charge afford all reasonable opportunities for carrying out the work by any other contractor(s) / specialist contractor(s) executing a part of the original work or ancillary to the work, employees/workmen of such contractor(s) or those of the Government, who may be employed in execution of, or near the site of work not included in the contract. If however, the contractor provides any material services / assistance or facilities to any such contractor or to the government on the written request of the engineer-in-charge he shall be paid a reasonable sum as determined by the engineer-in-charge or paid according to provision in bid schedule if already made therein.

Clause 20:

Damage to
person and
property.

- (1) The contractor shall indemnify and keep indemnified the government against all losses and claims for injuries or damage caused to any person or any property whatever, (other than surface or other damage to land or crops being on the site suffered by

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tenants or occupants) which may arise out of or in consequence of the construction and maintenance of the work and against all claims, demands, proceedings, damages, costs, charges and expenses whatever in respect of or in relation thereto, Provided always that nothing herein contained shall be deemed to render the contractor liable for, or in respect of, or to indemnify the government against any compensation or damages for or with respect to:

- (a) The permanent use or occupation of land by the works or any part thereof or (save as hereinafter provided) surface or other damage as aforesaid.
- (b) The right of the government to construct the works or any part thereof on, over under, in or through any land
- (c) Interference whether temporary or permanent with any right of light, air, way or water, or other assessment of quasi-easement which is the unavoidable result of the construction of the works in accordance with the contract.
- (d) Injuries or damage to persons or property resulting from any act or neglect done or committed during the currency of the contract of the government, its agents, servants or other contractors (not being employed by the contractor) or for or in respect of any claims, demands, proceedings, damages, costs, charges, and expenses in respect thereof or in relation, thereto.

Provided further that for the purposes of this clause the expression "the site" shall be deemed to be limited to the Area defined in the specification or shown on the drawings in which land and crops will be disturbed or damaged as an inevitable consequence of carrying out the works.

Indemnity by
the government

- (2) The government will indemnify the contractor for and against all claims, demands, proceedings, damages, costs, charges and expenses in respect of the matters referred to in the proviso to sub clause (I) of this clause.

Note:- The limit of various departments for the application of this clause is as follows:

1. Buildings

contracts exceeding Rs. 5 million

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- | | | |
|----|--------------------------------|---------------------------------------|
| 2. | Public Health Engineering | Contracts exceeding
Rs. 5 Million. |
| 3. | Highways | Contracts exceeding
Rs. 10 million |
| 4. | Irrigation. | The clause would not apply. |
| 5. | Housing and Physical Planning) | Contract exceeding
Rs. 5 million |

The clause may be adopted in contracts of smaller amount wherever so directed by the Chief Engineer.

Clause 21:

Works to be
open to
inspection

Contractor or
his responsible
agent to be
present.

All works under or in the course of execution or executed in pursuance of the contract, shall all time be open to inspection and supervision of the engineer-in-charge or his subordinate, and the contractor shall at all times during the usual working hours and at all other times for which reasonable notice of the intention of the engineer-in-charge, his senior or his subordinate to visit the works shall have been given to the contractor, either himself be present to receive orders and instructions or have an 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 have been given to the contractor himself.

Clause 22:

Giving of
notices and
payment of fees

- (1) The contractor shall give all notices, and at his own cost pay all fees, required to be given or paid by any national or state statute, ordinance or other laws or any regulation or bye-laws of any local or other duly constituted authority in relation to the execution of the works or of any temporary works and by the rules and regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the works or any temporary works.

Compliance
with statutes
regulations etc.

- (2) The contractor shall conform in all respects with the provisions of any such federal, provincial and local statutes, ordinance or law as aforesaid and the regulations or by laws of any local or other duly constituted authority, which may be applicable to the works, or to any temporary works and with such rules and regulations of Public Bodies and companies as aforesaid and shall keep the government indemnified against all penalties and liabilities of every kind for

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breach of any such statutes, ordinance or law, regulation or by laws.

Payment of
income tax and
other taxes.

- (3) The contractor shall be responsible for the payment of all income tax, super tax and other government or local taxes arising out of the contract, which shall not be re-imbursed to him by the government and the rates and prices stated in the bid schedule shall be deemed to cover all such taxes.

Clause 23:

Cost of bonds.

The cost of various bonds to be entered into and executed between the contractor and the engineer-in-charge shall be in all respects, at the expense of the contractor.

Clause 24:

Change in the
constitution of
firm

In the case of tender by partners, any change in the constitution of the firm, joint venture company or corporation shall be forth with notified by the contractor to the engineer-in-charge for his information.

Clause 25:

Photographs and
advertisements.

Photographs of the works shall be taken by permission of the engineer-in-charge. Only signs or other advertisement approved by the engineer-in-charge may be displayed at or near the works. Photographs of the works shall not be published without prior written approval of the government, which shall not be unreasonably withheld.

ASSIGNMENT AND SUB LETTING

Clause 26:

Assignment

The contractor shall not assign the contract or any part thereof or any benefit or interest therein or there under without the prior written consent of the engineer in charge.

Clause 27:

Subletting

The contractor shall not sublet the works or any part thereof except where otherwise provided by the contract, without the prior written consent of the engineer-in-charge and such consent, if given, shall not relieve the contractor from any liability or obligation under the contract and he shall be responsible for the acts, defaults and negligence of any sub contractor, his agents, servants or workmen as if they were the acts, defaults or neglects of the contractor, his agents, servants or workmen. Provided always

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that the provision of labour as a piece work basis shall not be deemed to be a subletting under this clause.

MATERIAL AND WORKMANSHIP

Clause 28:

- Quantity of material and workmanship and tests.
- (1) All materials and workmanship shall be of the respective kinds described in the contract and in accordance with the instructions of the engineer-in-charge and shall be subjected from time to time to such tests as the engineer in charge may direct at the place of manufacture or fabrication or on the site or at all or any of such places. The contractor shall provide such assistance, instruments machines, labour and materials as are normally required for examining, measuring and testing any work and the quality, weight or quantity of any material used and shall supply samples of materials before incorporation in the works for testing as may be selected and required by the engineer-in-charge
- Cost of samples.
- (2) All samples shall be supplied by the contractor at his own cost if the supply thereof is clearly intended by or provided for in the specifications or bill of quantities but if not then at the cost of the government.
- Cost of tests.
- (3) The cost of making any test shall be borne by the contractor if such test is clearly intended by or provided for in the specification or bill of quantities and (in the cases only of a test under load or of a test to ascertain whether the design or any finished or partially finished work is appropriate for the purposes which it was intended to fulfil) is particularized in the specification or bill of quantities in sufficient detail to enable the contractor to price or allow for the same in his tender.
- Cost of tests are not provided for
- (4) If any test is ordered by the engineer-in-charge which in either:-
 (a) not so intended by or provided for or;
 (b) (in the cases above mentioned) is not so particularized or;
 (c) Through so intended or provided for is ordered by the engineer-in-charge to be carried out by an independent person at any place other than the site or the place of manufacture or fabrication of the materials tested.

Then the cost of such test shall be borne by the contractor if the test shows the workmanship or materials not to be in accordance with the provisions of the contract or the instructions of the

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engineer-in-charge but otherwise by the Government

Clause 29:

Constructional material fittings, etc. to conform to representative samples approved by Engineer-in-charge

Before any constructional material fittings is brought to the site of work, the contractor shall submit to the engineer-in-charge representative samples of the material fittings, etc. he proposes to use. The samples after approval will be retained by the engineer-in-charge in his custody and the contractor shall be responsible for ensuring that materials and fittings, etc. conforming to such samples are used through out the contract failing which the material, fittings, etc. will not be accepted and shall be removed forthwith from the site of work if so desired by the engineer-in-charge.

Clause 30:

Stores to be supplied by government.

If the specification, or the estimate of the work provides for the use of any special description of material and equipment to be supplied from the engineer-in-charge's store or if it is required that the contractor shall use certain stores to be provided by the engineer-in-charge (such materials, stores and equipment 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 meanings or affect of this contract specified in the schedule of memorandum hereto annexed), the contractor shall be supplied with such materials and stores and 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 due or to become due, to the contractor, under the contract or otherwise or against or from the security deposit. All materials supplied to the contractor shall remain the absolute property of the government, and shall not, on any account be removed from the site of works without the written permission of the engineer-in-charge and shall at all times be open to inspection of the engineer-in-charge. Any such material unused or in perfectly good condition at the time of the completion or termination of the contract, shall be returned to the engineer-in-charge's store, if by a notice in writing under his hand he shall so require, but the 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 so supplied to him, as aforesaid being unused by him, or for any wastage in or damage to any such materials.

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Clause 31:

Action and
compensation
payable in case
of bad work.

If it shall appear to the engineer in charge or to his subordinate in charge of the work, that any work has been executed with unsound imperfect, or unskillful workmanship or that any materials or articles provided by him for the execution of the work are unsound or of a quality inferior to that contracted for, or otherwise not in accordance with the contract the contractor shall on demand in writing from the engineer-in-charge specifying the work, materials or articles complained of not withstanding that the same may have been inadvertently passed, certified and paid for, forthwith rectify, remove and reconstruct the work so specified 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 materials and originally contracted of his failing to do so within a period to be specified by the engineer-in-charge in his demand aforesaid, then the engineer-in-charge may rectify or remove and re-execute the work, remove and replace with others, the materials and articles complained of as the case may be by his own workman or by other contractor and recover from the contractor towards the cost thereof a sum equal to the sum actually incurred by the engineer-in-charge (whose certificate as to the amount of the work shall be final and binding on the parties plus departmental charges on the amount so incurred equal to then (10) percent or such smaller amount as the engineer-in-charge (whose decision in writing shall be final) may decide, and deduct the same from any money due or that becomes due to the contractor under this contractor or on any account whatsoever, due by government to the contractor, Measures of rectification will be decided by the engineer-in charge and may include additional work necessary to arrangement of set right the unusual work carried out by the contractor

LABOUR**Clause 32:**

Application of
labour laws and
rules.

The contractor shall employ labour, provide all facilities and pay wages to his work people or employees in accordance with the labour laws or enactments relating thereto and rules framed thereunder, in force from time to time.

Clause 33:

- (1) In every case in which by virtue of the provisions of section 12, sub

Contractor

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liable for
payment of
compensation to
injured
workman or in
case of death to
his relations.

section (1) of the workman's Compensation Act 1923, government is obliged to pay compensation to a workman employed by the contractor in execution of the works, government will recover from the contractor the amount of the compensation so paid and without prejudice to the rights of the government under section 12, sub section (2) of the said Act, Government shall be at liberty to recover such amount or any part thereof, by deducting it from the security deposit or from any sum due by Government to the contractor whether under the contract otherwise.

- (2) Government shall not be bound to contact any claim made against it under section 12, sub section (1) of the said Act, except on the written request of the contractor and upon his giving to the government full security for all costs for which government might become liable in consequence of contesting such claims.

Clause 34:

Use of donkeys
and other
animals

- (1) No contractor shall use donkeys or other animals with breaching of string or thin rope. The breaching must be at least 75mm wide and should be of tape (Nawar)
- (ii) No animal suffering from sores, lameness or emaciation or which is immature shall be used on the work.

COMMENCEMENT, TIME AND DELAYS

Clause 35:

Commencement
of work

The contractor shall commence the works on the site within the period named in the memorandum, after the receipt by him of an order in writing to this effect from the engineer-in-charge and shall proceed with the same with due diligence and without delay, except as may be expressly sanctioned or ordered by the engineer-in-charge or be wholly beyond the contractor's control

Clause 36:

Time for
completion

Subject to any requirements in the specification as to the completion of any portion of the works before completion of the whole, the whole of the works shall be completed within the time stated in the memorandum or such extended time as may be allowed under clause 37 hereof

Clause 37:

If by reasons of the amount of extra or additional work of any kind

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Tension of time
for completion

or variation of form, quality or quantity of the works or any part thereof ordered by the engineer-in-charge, or on the ground of his having been unavoidable hindered in the execution of the work or on any other ground or other special circumstances of any kind whatsoever, or any cause beyond the reasonable control of the contractor, the work is delayed or impeded or the contractor prevented from whether by the engineer-in-charge or otherwise howsoever, or hindered in the execution or completion of the work or any part hereof, whether such delay or impediment or prevention or hindrance occur before or after the time of extended time fixed for completion, the contractor shall apply in writing to the engineer-in-charge with thirty days of the date of such circumstances, the full and detailed particulars of his claim on account of which he desires an extension as aforesaid. The engineer-in-charge shall if in his opinion (which shall be final) reasonable grounds shown therefore by the contractor or such as fairly to in title the contractor to an extinction of time for the complication of work, outhories him from time to time in writing either prospectively or retrospectively, such extension of time for the complication of the work or any part there of, as may in his opinion be necessary or proper.

Clause 38:

No work at
night or on
Fridays/ public
Holidays

Subject to any provision to the contrary contained in the contract, none of the permanent work shall save as here in after provided be carried on during the night or on Fridays or public holidays without the permission in writing of the engineer-in-charge save when the work is unavoidable or absolutely necessary for the saving of life or property or for the safety of the works in which case the contractor shall immediately advise the engineer-in-charge. Provided always that the provisions of this clause shall not be applicable in the case of any work which it is customary to carry out by rotary or double shifts.

Clause 39:

Compensation
for delay

- (a) The time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. The works shall throughout the stipulated period of the contract be proceeded with all due diligence in accordance with the programme of work, as approved by the engineer-in-charge or any amended programme of work approved by the engineer-in-charge from time to time (time and quality being deemed to be the essence of the contract on the part of the contractor) and the contractor shall pay as compensation

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an amount equal to one percent of the amount of contract, subject to a maximum of 10% or such smaller amount as the engineer-in-charge (whose decision in writing shall be final) may decide, on the amount of the estimated cost stated in item (B) of the memorandum of work annexed hereto for every day that the work remains uncommenced or unfinished after the proper date.

Rate of Progress

- (b) In order to ensure good progress during the execution of the work the contractor shall be bound, in all cases in which time allowed for any work exceeds thirty days, to complete each part of the work or its component, as per programme of work or any revision or amendment to it approved by the engineer-in-charge. In the event of the contractor failing to comply with this condition, without sufficient reasons acceptable to the engineer-in-charge, he shall be liable to pay as compensation an amount equal to one per cent or such smaller amount as the engineer-in-charge whose decision in writing shall be final) may decide on the estimated cost of the work as named in the item (b) of the memorandum hereto annexed for every day that the due quantity of work remains incomplete. Provided always that the entire amount of the compensation to be paid under the provisions of this clause shall not exceed ten per cent of the estimated cost stated in item (b) of the memorandum of work annexed hereto.

Compensation
For inadequate
Funding.

- (c) If the funds required for completion of contract are not provided within two years of the stipulated date of completion, contractor may ask for finalization of his contract. All recoveries due from contractor (mobilization, secured advance, machinery hire charges, etc) will be made before finalization of contract.

CERTIFICATE OF COMPLETION

Clause 40:

Certification of
completion of work

Without prejudice to the right of the government under any such clause(s) herein contained, as soon as in the opinion of the engineer-in-charge, the works shall have been substantially completed and shall have satisfactorily passed any final test that may be prescribed by the contract, the engineer-in-charge will issue to the contractor a certificate of completion in respect of the work, and the period of maintenance of work shall commence from the date of such certificate, provide that the engineer-in-charge may give such a certificate with respect to any independent part of the works before the completion of the whole of the works, and when any such certificate is given in respect of such a part of the works, such part shall be considered as completed and the period of maintenance of such part shall commence from the date of such certificate. Provided also that a certificate of completion given in accordance with the foregoing provisions of any part of the works shall not be deemed to certify completion of any ground or surface

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requiring reinstatement, unless such certificate shall expressly so state. Provided further that no such certificate shall be given nor shall the works or any of its parts be considered to be complete until the contractor shall have removed from the premises on which the works or any such parts shall be executed, all scaffoldings, surplus materials of all kinds and cleared off the dirt from all woodwork, doors, windows, walls, floors, or other parts of any building or buildings, or road works and road structures, water supply, sewerage or drainage works, sanitary installations, gas and electric fittings, in, upon, or about which the works are to be executed, or which he may have had possession for the purpose of the execution thereof, nor until the works shall have been measured by the engineer-in-charge whose measurements shall be binding and conclusive against the contractor.

If the contractor shall fail to comply with the requirements of this clause as to the removal of scaffoldings, surplus material of all kinds and rubbish as aforesaid and cleanings of dirt on or before the date fixed for the completion of the works, the engineer-in-charge may at the expense of the contractor, remove such scaffoldings or surplus materials of all kinds 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 expenses so incurred, and shall have no claim in respect of any such scaffoldings or surplus materials of all kinds as aforesaid, except for any sum actually realized by sale thereof.

ALTERATIONS, ADDITIONS AND OMISSIONS

Clause 41:

Alterations in specifications and drawings.

Alterations, omissions or substitutions do not invalidate the contract

The engineer-in-charge shall have power to make any alteration in, omission, from, addition to, or substituted for, the original specification, drawing, designs and instructions that may appear to him to be necessary or advisable during the progress of the work, and the contractor shall be bound to carry out the works in accordance with any instructions which may be given to him in writing signed by the engineer-in-charge, and such alterations, omissions, additions or substitutions shall not invalidate the contract, and any altered, additional or substituted work which the contractor may be directed to do in manner above specified as part of the work, shall be carried out by the contractor on the same conditions in all respects on which he agreed to do the main work.

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Alterations in
specifications and
drawings.

and at the same rates as are specified in the tender (bid schedule for the main work). The time for the completion of the work shall be extended in the proportion that the altered, additional or substituted work bears to the original contract work and the certificate of the engineer-in-charge shall be conclusive as to such proportion.

And, if the altered, additional or substituted work includes any item of work, for which no rate is specified in this contract, then such items of work shall be carried out at the item rates enforced at the time of receipt of tenders with reference to which the tender for the work was submitted by the contractor.

Alterations in
specifications and
drawings.

If such altered, additional or substituted items(s) of work is not entered in the bid schedule, then the contractor shall within seven days of the date of receipt of the orders to carry out the work inform the engineer-in-charge of the rate which it is his intension to charge for such items of work, and if the engineer-in-charge does not agree to this rate, or the approval to this rate (or the negotiated rate, if any), is not communicated to the contractor within a period of thirty (30) days reckoned from the date of receipt by the engineer-in-charge of the proposed rate, the engineer-in-charge shall by a notice in writing be at liberty to cancel his order to carry out such item of work and arrange to carry it out in such a manner as he may consider advisable, provided always that if the contractor shall commence work or incur an expenditure in regard thereto, before the rates shall have been determined as lastly hereinafter mentioned, he shall do so at his own risk and cost.

No deviation from specification stipulated in the contract or additional items of work shall be carried out by the contractor unless the rate of the substituted, altered or additional items have been approved in writing failing which government will not be bound to entertain any claim on this account. The interpretation of the engineer-in-charge in the event of any dispute due to any ambiguity in the specification or nomenclature shall be binding and final.

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Clause 42:

No compensation for alteration in or restriction of work to be carried out, if variation does not exceed 20%

If at any time after the commencement of the work, the engineer-in-charge shall for any reason whatsoever, not required the whole thereof as specified in the tender (bid schedule annexed hereto) to be carried out, or increase or decrease in the quantity of work included in the contract or omit any such work, or change the contract or quality or kind of any such work, or change the levels, lines, position and dimensions of any part of the works, or require the contractor to execute additional work of any kind necessary for the completion of the work, the engineer-in-charge shall give notice in writing of this fact to the contractor, who shall have no claim to any payment or compensation whatsoever on account of any profit or advantage which he might have derived from the execution of the work in full, but which he did not derive in consequence of the full amount of the work not having been carried out; neither shall he have any claim for compensation by reasons of any alteration having been made in the original specifications, drawings, designs, and instructions which shall involve any curtailment or increase of the work, as originally contemplated; nor shall the contractor be entitled to any adjustment in the unit rate/price or amount of the contract, if the aggregate effect of all such alterations, additions, omissions, or adjustments (other than those arising out by reasons of price variation under clause 55 hereof) on completion of the whole of the works, does not exceed 20 per cent of the sum named in paragraph of 1 (one) of this tender.

Variation exceeding 20%

If on completion of the whole of the works, it shall be found that a reduction or increase greater than 20 per cent of the sum named in paragraph 1 of the tender results from the aggregate effect of all increases, decreases, omissions or adjustments (other than those arising out because of price variation under clause 55 hereof), as a result of the requirement of the engineer-in-charge, the amount of the contract price shall be adjusted by such sum(s) as may be determined by the engineer-in-charge and the contractor. In the event of disagreement, the engineer-in-charge shall fix such sum as shall, in his opinion, be reasonable and proper, regard being had to all materials and relevant factors including the contractor's cost and over heads.

MAINTENANCE AND DEFECTS

Clause 43:

Period of maintenance

(1) The period of maintenance mentioned in item (i) of the memorandum hereto annexed shall be calculated from the date of

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completion of the works certified by the engineer-in-charge in accordance with clause 40 hereof or in the event of more than one certificate having been issued by the engineer-in-charge under the said clause, from the respective dates so certified, and in relation to the period of maintenance the expression the 'work' shall be construed accordingly.

Execution of work of
Repair, etc.

- (2) The works shall at or as soon as practicable after expiration of the period of maintenance be delivered to the engineer-in-charge in as good and perfect condition (fair wear and tear excepted) to the satisfaction of the engineer-in-charge as that in which they were at the commencement of the period of maintenance, the contractor shall execute all such works of repair, amendment, reconstruction, rectification and making good of defects, imperfection, shrinkage or other faults as may be required of the contractor in writing by the engineer-in-charge during the period of maintenance or within fourteen days after its expiration as a result of an inspection made by or on behalf of the engineer-in-charge prior to its expiration.

Cost of execution of
works of repair, etc.

- (3) All such works shall be carried out by the contractor at his own expense, if the necessity thereof shall, in the opinion of the engineer-in-charge, be due to use of materials or workmanship not in accordance with the contract or to neglect or failure on the part of the contractor to comply with any obligation expressed or implied on the contractor's part under the contract. If in the opinion of the engineer-in-charge such necessity shall be due to any other cause, the value of such work shall be ascertained and paid for, as if it were an additional work.

Remedy of contractor's
failure to carry out work
required

- (4) If the contractor shall fail to do any such work as aforesaid, required by the engineer-in-charge, the engineer-in-charge shall be entitled to carry out such work by his own workmen or by other contractor(s) and if such work is a work which the contractor should have carried out at the contractor's own cost, shall be entitled to recover from the contractor towards the cost thereof a sum equal to the actual expenditure so incurred by the engineer-in-charge (whose certificate as to the amount of the work shall be final and binding on the parties) any may deduct the same from any moneys due or that may become due to the contractor.

Clause 44:

If the contractor or his work people, or servant shall break, deface, injure or destroy any part of a building in which they may be

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Contractor liable to make good damages, and for any imperfection noticed during period of maintenance.

working or any building, road, road work, road structure, water supply, sewerage, and drainage works, sanitary fittings and electric installations, fences, enclosures, water pipes, cables, drains, electric or telephone posts or any works, trees, grass or grassland, or cultivated ground contiguous to the premises on which the work, or any part of its is being executed, or if any damage shall happen to the work, while in progress from any cause whatsoever or any imperfections become apparent in it within the specified period of maintenance in item No. (i) of the memorandum hereto annexed after a certificate, final or otherwise of its completion shall have been given by the engineer-in-charge as aforesaid, the contractor shall make the same good at his own expense, or in default, the engineer-in-charge may cause the same to be made good by other workmen, and deduct the expenses (of which the certificate of the engineer-in-charge shall be final) from any sums that may then, or at any time thereafter may become due to the contractor, or from his security deposit.

ADVANCES TO CONTRACTORS

Clause 45:

Secured advance on materials brought to site

Should the contractor, whose contract is for finished work require an advance on the security of material of imperishable nature brought by him to the site, the engineer-in-charge shall assess the value of such materials and the contractor may be paid an advance upto an amount not exceeding seventy five per cent (the decision of the engineer-in-charge as to this percentage shall be final) of the value of the materials assessed by the engineer-in-charge. The materials shall remain the property of the government and the contractor shall not remove it from the site without the written permission of the engineer-in-charge. The contractor shall be responsible for any loss to the materials due to the contractor postponing the execution of the work or to the shortage of or misuse of the materials and against the expenses entailed for their proper watch and safe custody.

The recovery of the amount of such advance shall be made from the contractor's bill for the work done, as the materials are used in the work.

PAYMENTS

Clause 46:

Bills to be on prescribed form

The contractor shall submit all bills on the form prescribed by the engineer-in-charge to be had on application at the office of the engineer-in-charge and the charges in the bills shall always be entered at the rates specified in the tender (bid schedule) or in the case of any extra work ordered in pursuance of the conditions and not mentioned or provided for in the tender, at the rate hereinafter provided for such works.

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Clause 47:

Bills to be submitted
monthly.

The contractor shall submit each month on or before the date fixed by the engineer-in-charge a bill, on the basis of measurements carried out by the contractor through his own staff, for all works executed in the previous month, and the engineer-in-charge shall take or cause to be taken the requisite measurements for the purpose of having the same verified and the claim, as far as admissible adjusted, if possible, before the expiry of ten days from presentation of the bill subject to the condition laid down in item(s) of the memorandum of work. If the contractor does not submit the bill within the time fixed as aforesaid, the engineer-in-charge may depute a subordinate to measure up the work in the presence of the contractor, or otherwise and the engineer-in-charge may prepare a bill from such measurements, which shall be binding on the contractor in all respect.

Clause 47: A

Payment of items with
imbalance rates.

If a contractor quoted such disproportionate rates in his tender which deviate from the rates provided in the technically sanctioned estimate, the payment of items whose rates are lower will be made at tender rates (s) in full on the execution of items (s) but the payment of item whose rates are higher shall be made at the rates depicted in technically sanctioned estimate, on the execution of such items, the balance payment shall be withheld by the engineer-in-charge till the completion of the work of items for which low rates have been quoted.

Clause 48:

Deduction of security
deposit.

At the time of making any payment to the contractor for the work done under this contract, the engineer-in-charge shall retain from the amount so payable to the contractor, the amount of security deposit at the percentage rate specified in item(d) of the memorandum of work annexed hereto. The earnest money of the contractor on execution of the contract, will, however, be adjusted towards the amount of such security deposit to be retained from the amount of his first bill of the work done by him and payable to the contractor under this contract.

All compensations of other sums of money payable by the contractor to the government under the terms of this contract may be deducted from the amount of his security deposit of the contract or from any sums which may be due or may become due to the contractor by the government on any account whatsoever, and in the event of his security deposit being reduced by such deductions, the contractor shall, within ten days thereafter, make good in cash any sum or

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sums which may have been deducted from his security deposit, or may be made good through additional deductions from his bill or dues.

Clause 49:

Conversion of security deposit into profit bearing securities.

If the contractor so desires and makes a written request to the engineer-in-charge to the effect that the amount of security deposit retained from the bills of the contractor may be converted into the recognized form of profit bearing security at the cost of the contractor, the amount of security deposit retained from bills of the contractor shall be deposited in any of the following banks:-

1. National Bank of Pakistan Ltd.
2. Habib Bank Ltd.
3. United Bank Ltd.
4. Muslim Commercial Bank Ltd.
5. Allied Bank of Pakistan Ltd.
6. The Bank of Punjab.

And pledged in the name of the executive engineer concerned.

Clause 50:

Refund of security Deposit/

(a)

The amount retained as security deposits shall not be refunded to the contractor before the expiry of six(6) months in the case of original works valuing upto Rs.5 million and twelve (12) months or even more, as may be determined by the engineer-in-charge with the prior approval of the Chief Engineer, in the case of works valuing above Rs.5 million, after the issue of the certificate of completion of the work under clause 40 hereof by the engineer-in-charge provided that in case the contractor is required by the engineer-in-charge to rectify any imperfection, damage, defects or other faults in work, etc. during the period of maintenance, the security deposit shall not be refunded till the contractor has fulfilled his obligations under clause 43 and 44 hereof to the satisfaction of the engineer-in-charge.

(b)

Should the contractor so apply in writing to the engineer-in-charge, the amount of security deposit will be refunded to the contractor three (3) months after the issue of certificate of completion of work by the engineer-in-charge under clause 40: subject to the production of bank guarantee from a scheduled bank in Pakistan to the satisfaction of and in the form suitable to the engineer-in-charge, for the same amount covering the balance of period of maintenance, to the effect that the contractor shall fulfill his obligations under

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Clause 43 and 44 of the contract.

- (c) Subject to the conditions stipulated in sub-clause (a) of this clause, in the case of contracts for maintenance and repair works, the security deposits would be refunded to the contractor after the expiry of three (3) months of the issue of certificate of completion of work by the engineer-in-charge.

Clause 51:

Payment on
intermediate certificate
to be regarded as

The contractor shall on submitting the bill be entitled to receive a monthly payment proportionate to the part thereof then approved and passed by the engineer-in-charge, subject to the condition laid down in items(s) of the memorandum, whose certificate of such approval and passing of the sum so payable, shall be final and conclusive against the contractor. But all such intermediate payments shall be regarded as payment by way of advance against the final payment only, and not as payment for work actually done and completed and shall not preclude the requiring of bad, unsound, imperfect or unskillful work to be removed and taken away and reconstructed, or re-erected or be considered as an admission of the due performance of the contract, or any part thereof in any respect, or the accruing of any claim: nor shall it conclude, determine, or affect in any way the power of engineer-in-charge, under these conditions or any of them as to the final settlement and adjustment of the accounts or otherwise, or in any other way vary or affect the contract.

Clause 52:

Final bill to be
submitted within one
month.

The final bill shall be submitted by the contractor within one month of the date fixed for completion of the works, otherwise the engineer-in-charge's certificate of the measurement and of the total amounts payable for the works accordingly, shall be final and binding on all parties.

Clause 53:

Procedure for payment
to firms.

The department may refuse or suspend payment on account of a work when executed by a firm, or by a contract described in their tender as a firm, unless receipts are signed by all the parties, or one of the partners or some other person producing power of attorney enabling him to give actual receipts on behalf of the firm.

Clause 54:

All sums payable by way of compensation under any of these

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

conditions, shall be considered as reasonable compensation to be applied to the use of government, without reference to the actual loss or damage sustained, and whether or not any damage shall have been sustained.

VARIATION IN PRICES OF SPECIFIED MATERIALS

Clause 55:

(1)

Price variation.

(2)

Where any variation (increase or decrease), to the extent of 5% or more, in the price of any of the item mentioned in sub-clause (2) below takes place after the acceptance of tender and before the completion of contract, the amount payable under the contract shall be adjustable to the extent of the actual variation in the cost of the item concerned.

No price variation under the clause shall be admissible except in respect of the following items.

(i) Cement.

(ii) Steel.

(a) M.S. Bars (Plain and deformed)

(b) M.S. Sections.

(c) High Tensile steel wire.

(d) M.S. and G.I. Pipes.

(iii) Asbestos Cement Pipes.

(iv) P.V.C. Pipe.

(v) R.C.C./P.C.C. Pipe.

(vi) Bitumen.

(vii) High Speed Diesel.

(viii) Bricks.

(a) Bricks.

(b) Tiles

(c) Gutka.

(ix) Stone aggregate.

(a) Stone metal for sub base.

(b) Stone metal for base course.

(c) Crushed bujri.

(x) Labour.

(3)

The base price for the purposes of calculation of the price variation shall be the price prevalent in the month during which the last day of the submission of tender falls.

(4)

The price variation under this clause shall be worked out on the basis of the price of the particular item prevalent in a particular District on first day of each month, as per price list of such manufactures or suppliers at such places as are notified by the Finance Department from time to time. This price of the manufacturer or supplier at the place(s) so notified shall be applicable to the particular District or the entire Punjab (where district wise list of manufacturers or suppliers has not been notified).

(5)

If no notification in respect of any of the item mentioned in sub-clause (2) is issued under sub-clause(4) no price variation shall be admissible in respect of that item during that month.

(6)

The amount payable or deductible in respect of item No.(i) to (x) of sub-clause (2) shall be calculated on the basis of the quantity of the item actually consumed on the work during the month.

(7)

The amount payable or deductible in respect of item No. (v) of sub-clause (2) shall be calculated on the basis of the actual quantity of

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cement and steel bars used in the manufacture of the pipes during the month.

- (8) No escalation shall be allowed to the contractor in respect of the period extended for the completion of the work due to his own fault.
- (9) If, under the existing codal rules, secured advance is paid on all or any of the imperishable items mentioned at (ii) to (vi) & viii) to (ix) in sub-clause (2) above, no price variation shall be admissible on such items (s) in respect of the quantity or quantities for which secured advance has been paid to the contractor.
- (10) The increase or decrease in the contract price subsequent to any increase or decrease in the cost of high speed diesel shall be calculated from the increase or decrease in the basic price of high speed diesel using the following formula:-
Increase or decrease = $a \times VOW \times (CPD-BPD)/BPD$ in contract price where:-

VOW = the value of the work, for which payment has been certified by the engineer-in-charge, executed subsequent to such increase or decrease in the Basic Price as shall be obtained by applying the approved unit rates and price entered in the measurement book.

CPD= Current price of high speed diesel, and

BPD= Basic price of high speed diesel.

Factor $a=0.15$ for Highway/Road Works &
 $a=0.07$ for Building and R.C.C. structures

- (11) The increase or decrease in the contract price subsequent to any increase or decrease in the cost of labour shall be calculated from the increase or decrease in the basic price of labour using the following formula:

Increase or decrease = $B \times VOW \times (CLR-BLR)/BLR$ in contract price.

Where:

VOW= The value of the work for which payment has been certified by the Engineer-in-charge, executed subsequent to such increase or decrease in the Basic Price as shall be obtained by applying the approved unit rates and prices entered in the measurement book.

CLR= Current labour rates for unskilled worker (as published by Bureau of Statistics.)

BLR=Basic labour rates of unskilled worker on the date of receipt of tenders (as published by Bureau of statistic)

Factor $B=0.15$ both for building & road works.

2- The above amendments would be applicable after 11-01-2007.

CLAIMS OF CONTRACTOR

Clause 56:

Bills to be submitted monthly.

The contractor shall deliver in the office of the engineer-in-charge on or before the 10th day of every month during the continuance of the work covered by this contract a return in such form as the engineer-in-charge may from time to time prescribe showing details of any rate, amount and work claimed as extra, and such return shall also contain the value of such work which the contractor may consider

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himself to be entitled up to the end of the previous month, which value shall be based upon the rates and prices mentioned in the contract (bid schedule) or the rate determined pursuant to clause 41 hereof. The contractor shall include in such monthly returns particulars of all claims of whatsoever kind and howsoever arising, which at the date thereof he has or may claim to have, against the engineer-in-charge under or in respect of, or in any manner arising out of the execution of the works, and the contractor shall be deemed to have waived all claims not included in such return and will have right to enforce any claim not so included, whatsoever be the circumstances.

Clause 57:

Claims for payment of extra ordinary nature.

No claim for payment of extra ordinary nature, such as claim of a bonus for extra labour employed in completion of the work before the expiry of the contractor period at the request of the engineer-in-charge, or claim for compensation where the work has been temporarily brought to a stand still through no fault of the contractor, shall be allowed, unless and to the extent that the same shall have been expressly sanctioned by the Punjab Government.

Clause 58:

Time limit for unforeseen claims.

Under no circumstances whatsoever shall the contractor be entitled to any compensation on account of the contract unless the contractor shall have submitted a claim in writing to the engineer-in-charge within one month of the cause of such claim occurring.

Clause 59:

Claim for compensation for delay in the execution of work.

No compensation shall be allowed for any delay in execution of the work on account of water standing in borrow pits or compartment. The rates inclusive for hard or rocky soil, excavation had, sub soil water or water standing in borrow pits, and no claim for extra rate shall be entertained, unless expressly verified by engineer-in-charge and confirmed by Superintending Engineer.

REMEDIES AND POWERS

Clause 60:

Action when whole of security deposit is forfeited.

In any case in which under any clause or clauses of the Contract, the contractor shall have rendered himself liable to pay compensation amounting to whole of the security deposit or in the opinion of the engineer-in-charge has abandoned the contract, or is not executing the works in accordance with the contract or is persistently or flagrantly neglecting to carry out his obligations under the contract, or if the contractor employs any employee of the Government in defiance to the provisions of clause 32 thereof, the engineer-in-charge on behalf of the government, may, after giving fourteen days notice in writing to the Contractor, rescind the Contract (of which rescission notice in writing to the Contractor under the hand of the engineer-in-charge shall be conclusive evidence and in which case the security deposit of the Contractor shall stand forfeited, and be absolutely at the disposal of Government. And in case the Contract shall be rescinded under the provisions aforesaid):-

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- (i) The Contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased or procured any materials, or entered into any engagement, or made any advances on account of or with a view to the execution of the works or the performance of the contract.
- (ii) the contractor shall not be entitled to recover, or be paid any sum for any work actually performed under this contract, unless and until the engineer-in-charge will have certified in writing. The performance of such work and the value payable in respect thereof, and he shall only be entitled to be paid the value so certified, after deducting there from the amount of aforesaid compensation and other charges duly ascertained and certified by the engineer-in-charge to be payable by the contractor. But if such sum payable by the contractor for any losses, compensation or any other charge shall exceed the sum for any work actually performed under the contract and certified by the engineer-in-charge, the amount of such excess shall be deemed a debt due by the contractor to the government and shall be recovered according.

Clause 61:

Work at the risk and expense of the contractor.

In every case in which the contract should be rescinded under clause 60 hereof and in the opinion of the engineer-in-charge such work should be done at the risk and expense of the contractor without thereby avoiding the contract or relieving the contractor from any of his obligation or liabilities under the contract or affecting the rights and powers conferred on the government or the engineer-in-charge by the contract, the engineer-in-charge on behalf of the government, after giving fourteen days notice in writing to the contractor, shall have powers to adopt any of the following courses, as any in the opinion of the engineer-in-charge be desirable:-

- (a) to measure up the work of the contractor and to take such part thereof, as shall be executed 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, had the whole of the work been executed by him (of the amount of which excess, the certificate in writing of the engineer-in-charge 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 government, under the contract or otherwise, or from his security deposit or from the value of the performance security given by the contractor under clause 7 hereof.
- (b) to employ labour paid by the department and to supply materials or supply/arrange tools and plants to carry out the works or any part of the works, debiting the contractor with the cost of the labour and the price of the materials and cost of.

Contractor

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supply/arrangement, operation and maintenance of tools and plants of the amount of which cost and price, a certificate of the engineer-in-charge shall be final and conclusive against the contractor), plus departmental charges on the amount so incurred equal to ten per cent or such smaller amount as the engineer-in-charge/(whose decision in writing shall be final) may decide, and crediting him with the value of the work done, in all respects, in the same manner and at the same time and rates, as if it had been carried out by the contractor under the terms of his contract, the certificate of the engineer-in-charge as to the value of the work done shall be final and conclusive against the contractor).

In the event of any of the above courses mentioned in this clause being adopted by the engineer-in-charge, 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 engagement, or made any advances on account of be with a view to the execution of the works or the performance of the contract.

Clause 62:

Contractor remains liable to pay compensation if action is not taken under clauses:

In any case in which any of the powers, conferred upon the engineer-in-charge by clause 60 or by para (a) of clause 61 hereof, shall have become exercisable and the same shall not be exercised, the non-exercise thereof shall not constitute a 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.

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

In the event of the engineer-in-charge putting in force either of the power vested in him under clause 60 or para (a) of the preceding clause, he may, if he so desires, take possession of all or any tools, constructional plants, 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 hereof, paying or allowing for the same in account at the contract rates, or, in case of those not being applicable at current market rates to be certified by the engineer-in-charge whose certificate shall be final: otherwise the engineer-in-charge, may by notice in writing to the contractor or his clerk of the works, foreman or other

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authorized agent, require him to remove such tools, construction 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 engineer-in-charge 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 engineer-in-charge as to the expenses of any such removal, and the amount of the proceeds and expenses of any such sale, shall be final and conclusive against the contractor.

Clause 63:

Contract may be rescinded and security deposit for subletting bribing or if contractor becomes insolvent

If the contractor shall, in defence of the engineer-in-charge's instructions to the contrary or without his written approval, assign or sublet his contract or attempts to do so or become insolvents, or commence any insolvency proceedings or make any composition with his creditors, or attempts so to do or if any bribe, gratuity, gift, loan prerequisite, reward or advantage pecuniary or otherwise, shall either directly or indirectly be given, promised or offered by the contractor, or his servants or agents to any Public officer or person in the employ of Government 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 engineer-in-charge may thereupon by notice in writing rescind the contract, and the security deposit of the contractor shall thereupon stand forfeited and be absolutely at the disposal of Government and the same consequence shall ensue as if the contract had been rescinded under clause 60 hereof and in addition to the contractor shall not be entitled to receive or be paid for any work therefore actually performed under the contract.

Clause 64:

Deduction of amount due to Government on any account whatsoever to be permissible from any sums payable to the contractor.

Any excess payment made to the contractor inadvertently or otherwise, under this contract or on any account whatsoever, and any other sum found to be due to the government by the contractor in respect of this contract, or any other contract or work order, or on any account whatsoever, may be deducted from any sum whatsoever payable by Government to the contractor, either in respect of this contract or any work order or contract, or on any other account by any other department of the government or recovered from the contract or as arrears of land revenue.

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SETTLEMENT OF DISPUTES

Clause 65:

Procedure in disagreement

In the event of any disagreement between the engineer-in-charge and the contractor arising out of the contract, the matter shall first be referred to the Supdt. Engr./E.D.O. (W/S), for decision who shall, after making such enquiries, as he may deem fit, give his decision in writing not later than three months after the reference is made to him. The period for decision of the case by the supdt. Engr./E.D.O.(W/S) may, however, be extended by the Chief Engineer under special conditions according to the circumstances, justification, available in each case. The contractor shall forthwith give effect to the decision of the Supdt. Engr./E.D.O.(W/s) and shall proceed with due diligence, whether arbitration is intended or not.

Contractor dis-satisfied with the decision of superintending engineer.

If the contractor be dissatisfied with the decision of the Supdt. Engr./E.D.O.(W/S) or if his decision is not forthcoming within the stipulated or extended period/periods and desires arbitration under the arbitration clause as hereinafter provided, he shall give notice in writing of such intention to the Supdt. Engr./E.D.O. (W/S) within a period of twenty eight days of the receipt of the Supdt. Engrs/E.D.O.(W/S) decision or in case no decision is given, at the end of the period or periods within which the Supdt. Engr./E.D.O.(W/S) was to give his decision. The said notice shall contain the cause of action, material facts of the case and relief sought, failing which the decision of the Supdt. Engr./E.D.O.(W/s) shall become final, conclusive and binding, and the contractor shall be deemed to have forfeited or departed from the claim in excess of that allowed by the Supdt. Engr./E.D.O.(W/S). The subsequent inflation/increase in the amount of claim once preferred in the said notice shall not be allowed nor shall any other claim in respect of the same work be entertained from the contractor at any later stage.

Increase in amount of claim once preferred not allowed.

Reference to arbitration

A reference to arbitration shall be made by the contractor in writing not later than three months after the completion of the work. Failure to make such a reference within this period shall be deemed to mean that the contractor has waived all claims in respect of all disputes.

(a)
Disputes for arbitration limited.

Disputes which may be referred to arbitration shall be limited to:-

- (i) Any question, difference, or objection, whatsoever which shall arise in any way, connected with or arising out of the contract or/and

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- (ii) The meanings of the operation of any part of the contract;
or/and
- (iii) The rights, duties and liabilities of either party to the contract;
or/and
- (iv) Whether the contract should be terminated or has been rightly terminated and as regards the rights and obligations of the parties as a result of such termination.

Provided that those matters for which provision has been made in the contract for final and binding decision by the Supdt. Engr./E.D.O. (W/S) the engineer-in-charge shall be excluded from arbitration.

- (b) The venue of arbitration shall be in the Punjab. The contractor will have to deposit 20% of the amount of the claim up to Rs.0.20 Million and 10% of claim, exceeding Rs.0.20 Million along with the claim. This amount will be refunded after the Award has been made Rule of the Court. Otherwise the amount deposited will be forfeited.

- (c) In the event of any dispute arising in accordance with the limitations provided in sub-clause (a) of this clause, the same shall be referred to the decisions of a sole arbitrator to be appointed by the Chief Engineer, in charge of the region, from among the officers of the department not below the rank of; Supdt. Engr./E.D.O.(W/S), and other than the Supdt. Engr./E.D.O. (W/S) in charge of the work. In case the claim preferred is for an amount upto half a million rupees; the decision of the sole arbitrator in such cases shall be final and binding on the parties concerned.

- (d) In case the amount of the claim preferred is over half a million rupees, the dispute shall be referred to the award of two arbitrators, to be appointed from the Supdt. Engr./E.D.O.(W/S) of the department, other than the in Supdt. Engr./E.D.O.(W/S) in charge of the work; one to be nominated by the Chief Engineer of the region concerned and the other by the contractor. In the case of the said two arbitrators not agreeing, the case shall be referred to the award of an umpire who shall be an officer of the department not below the rank of Chief Engineer to be appointed by the government in the administrative department. The decision of the two arbitrators/umpire, as the case may be shall be final and binding on the parties concerned. Where the matter involves claim for the payment of recovery or deduction of money only, the amount, if any, awarded in the arbitration shall be recoverable in respect of the matter so referred.

- (e) The Bitumen for use in the road work shall be obtained by the contractor from National Refinery Limited Karachi and a documentary evidence in support thereof shall be produced to Executive Engineer/ District Officer for his reference and record.

Contractor

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Arbitration

Schedule showing (Approximately) materials to be supplied from the departmental store for works contracted to be executed and the rates at which they are to be charged for

(See clause 30)

Particulars.	Rates at which the material will be charged to the contractor.		Place of Delivery
	Unit	Rs.	
Bitumen in Drums	Per Metric Tonne		Highway Store at

As per policy of the Government vide P&D Department No.4/54 P&D Ro (R&B) 90 Dated, 15.12.93, the bitumen of required quality and grade i.e. 80/100, shall be arranged by the contractor himself and department shall issue no bitumen.

Note:- No payment for the carriage of Bitumen from Highway Store to site of work will be made to the contractor.

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Note:- The person or firm submitting the tender should see that the rates in the above schedule are filled up by the XEN/Distt. Office before the issue of the form prior to the submission of the tender

Contractor

Executive Engineer/

**SCHEDULE SHOWING EQUIPMENT TO BE SUPPLIED BY THE
GOVERNMENT AT THE REQUEST OF THE CONTRACTOR**

(SEE CLAUSE 30)

The Equipment and/or constructional plant listed in the following table are available with the Employer and can be provided to the contractor at his request, at the rental rates and places set out therein.

Item	Description	Rental Price	Place of Deliver
1 (One)	2 (Two)	3 (Three)	4 (Four)
1.	Road Roller Capacity 8-10 (eight to ten) tons or lower	Rs.554/50 (Rupees Five hundred and fifty four paisas fifty only)	
2 (Two)	Road Roller Capacity 10-12s (ten to twelve) tons.	Rs.632/- (Rupees Six hundred and thirty two only)	
3. (Three)	Road Roller Capacity 15-18 (Fifteen to eighteen) tons	Rs. 54/- (Rupees Seven hundred and fifty four only).	
4. (Four)	Sheep Fact Roller	Rs. 240/- (Rupees Two hundred and forty only).	Highway Sub- Division at.
5. (Five)	Tar Boller	Rs.150/- (Rupees One hundred and fifty only).	
6. (Six)	Vibratory Road Roller Self Propelled (Russian) (Italian)	Rs.740/0- (Rupees Seven hundred and forty only) Rs.1450/- (Rupees One thousand four hundred and fifty only)	
7. (Seven)	Vibratory Road Roller (Too type)	Rs.480/- (Rupees Four hundred and eighty only).	

Rentals should be exclusive of depreciation of donor financed equipment.

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4. The schedule showing the names of manufactures & suppliers whose Prices for the specified materials at the place shown against each are to form basis of Payment of variation shall be substituted by the following.

(See Clause 55)

Name of Item	Name of Manufacturer or supplier	Price at places which are to form basis of Price Variation
1	2	3
(i) Cement	Javadan Cement Karachi (Ex-factory) w.e.f. 06-04-2005.	Javadan Cement Karachi (Ex-factory).
(ii) Steel (a) M.S. Bars (Plain & deformed)	Pakistan Steel Mills, Karachi w.e.f. 06-04-2005.	As per rate of M.S. Bars (Plain & deformed) placed at Website by the Finance Department, Government of the Punjab/or notified by Chief Engineer..
(b) M.S. Sections	Pakistan Steel Mills, Karachi w.e.f. 06-04-2005.	As per rate of M.S. sections Placed at Website by the Finance Department, Government of the Punjab.
(c) High Tensile Steel wire	Metropolitan Steel Corporation Limited Karachi w.e.f. 06-04-2005.	As per rate of High Tensile Steel wire placed at Website by the Finance Department, Government of the Punjab.
(d) M.S. & G.I pipe	(i) M/S Karachi pipe Mills Limited Karachi. (ii) M/S Pioneer Steel Mills Muridke, (Sheikhupura). W.e.f. 06-04-2005.	As per rate placed at Website by the Finance Department, Government of the Punjab.
(iii) Asbestos cement pipes	M/S Dadax Elerint Limited Karachi w.e.f. 06-04-2005.	As per rate placed at Website by the Finance Department, Government of the Punjab.
(iv) P.V.C. pipes	Pakistan PVC Limited Karachi w.e.f. 06-04-2005.	As per rate placed at Website by the Finance Department, Government of the Punjab.
(v) Cement and Steel Bars For R.C.C. pipes	As per item (i) & (ii) above	As per item (i) & (ii) above
(vi) Bitumen	National Refinery Karachi w.e.f. 06-04-2005.	As per rate placed at Website by the Finance Department Government of the Punjab.
(vii) High Speed Diesel	Escalation applicable w.e.f. 11-01-2007.	To be ascertained by Advisory Committee notified By Government.
(viii) Briks (Bricks, tiles, gutka) Stone metal, crushed bajri and labour)	Escalation applicable w.e.f. 11-01-2007	As per rate placed at Website by the Finance Department, Government of the Punjab.

5. These amendments shall not be applicable to the contracts awarded prior to the date of notification.

Note: 1) The prices / rates mentioned in column No. 3 above shall be inclusive of Taxes and Duties levied by Government from time upto the places mentioned therein.

- 2) Where the adjustment on account of price variations cannot be met within the contingencies provided in Technically Sanctioned estimates, revised technical sanctions and enhancement of agreement shall be obtained from the competent authority before releasing the payment of price variation to the contractor under prices variation clause (Finance Department Notification No. RO (Tech) FD - 10-2/90 dated 2nd April 1992.

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GOVERNMENT OF THE PUNJAB
Department
CONTRACT AGREEMENT

(See Clause: 1)

This agreement made this _____ day of _____
 20____ BETWEEN THE GOVERNOR OF THE PUNJAB (hereinafter called
 the Government) as represented by the Executive Engineer /District Officer
 _____ Division _____ on the one part and
 (hereinafter called the contractor) on the other part. WHEREAS tenders have
 been received by the Government for the construction, completion and
 maintenance of _____

(Name of Work)

as well as possible new and ancillary works associated therewith which have to
 be executed in accordance with the contract document, and the tender by the
 contractor for the construction, completion and maintenance of such works
 has been accepted by the Government.

NOW, THEREFORE, for and in consideration of the promises, covenants and
 agreement hereinafter contained and to be performed by the parties hereto
 the said parties hereby covenants and agree as follows:-

(i) In consideration of the covenants and agreements to be kept and
 performed by the contractor and for the faithful performance of the
 contract and the completion and maintenance of works embraced
 therein, according to the specifications drawings and conditions
 herein contained and referred to the government shall pay and the
 contractor shall receive and accept as full compensation for
 everything furnished and done by the contractor under this
 agreement and the tender price stipulated in the contractor's
 tender at the times and in the manner prescribed by the contract.

(ii) The said work shall be started within the period specified in item
 No: (f) of the memorandum of work, following the receipt of a
 written order of the Executive Engineer/District Officer _____
 Division _____ to proceed with and the contractor shall
 complete fully the works within the stipulated period reckoned
 from the commencement of work, subject to such extensions of
 times as may be granted under the conditions of contract except
 for maintenance which shall be completed within the period named
 in item (g) of the memorandum hereto annexed after issuance of the
 final certificate of completion.

(iii) the following documents shall be deemed to form and be read and
 construed as part of agreement.

Contractor

Executive Engineer

- (a) The said tender and covering letter and subsequent undertaking, if any,
 - (b) The drawings.
 - (c) The conditions of contract and additional conditions, if any,
 - (d) The specifications;
 - (e) The bid schedule;
 - (f) Addendum No. 1 to _____
(which have been incorporated in the tender)
 - (g) Schedule of materials to be supplied from the departmental store;
 - (h) The scale of rates and prices;
 - (i) The letter of acceptance, and
 - (j) The performance security.
- (iv) All disputes or differences between the parties in connection with or arising out of this agreement shall be settled in accordance with the provisions of relevant clause of the conditions of contract.

IN WITNESS WHEREOF, the parties have hereinto set their respective hands and seals the day and the year hereinto before set forth.

Signed by _____
(Contractor)

Signed by _____
XEN/Distt: Officer _____

Division _____
for and on behalf of the
Governor of the Punjab.

WITNESSES

1. _____
2. _____

Contractor

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BANK GUARANTEE (See Clause 7)

Penal sum of bond _____ (express in words and figures)

KNOW ALL MEN BY THESE PRESENTS THAT MR./MESSRS. _____
whose official address

(Name of contractor)

is _____
as principal(s) hereinafter referred to as principal) and the Bank of Punjab or
scheduled Bank(s) of Pakistan (hereinafter appearing in the schedule of
sureties, as sureties (hereinafter some times called the surety at the request
of the principal are held and firmly bond to the Government of the Punjab
acting through the XEN/Distt: Officer _____ Division
or his successor or assigns a body organized and existing under and by virtue
of laws of the Government of the Punjab, in the penal sum of the amount
stated above, lawful money for the payment of which sum well and truly
made, we bind ourselves, our heirs, executors, administrators and successors,
jointly and severally, firmly by these presents:

PROVIDED THAT We, the sureties, bound ourselves in such sum
jointly and severally, as well as, 'severally' only for the purpose of allowing a
joint action or actions against any or all of us and for all other purposes, each
surety bond, itself, jointly and severally with the principal for the payment of
such sum only as set forth opposite its name in the following schedule:-

SCHEDULE OF SURETIES

Name of bank, branch and address	Limit of liability
----------------------------------	--------------------

_____	_____
_____	_____
_____	_____

The conditions of the above obligations is such that:

WHEREAS, the tender of the above bounden principal has been accepted
and he has entered into a contract with the XEN/Distt: Officer _____
Division _____ for the work _____
_____ on the _____

(Name of work)
day of _____ 200 _____

Contractor

Executive Engineer/

AND WHEREAS under the terms of the contract government has required the principal to furnish a performance guarantee to form a part of the contract.

NOW, THEREFORE, it is agreed as follows:-

- (1) If the above bounden principal shall well truly and faithfully perform the contract and comply with and fulfill all the undertakings, terms and provisions thereof, and satisfy all the obligations of the said principal arising there under, and comply with all covenants therein contained and contained in the specifications, plan and other instruments constituting a part of the contract, required to be performed by the said principal, in the manner and within the time provided in the contract or any extension thereof that may be granted by the government with or without notice to the surety(s) and shall fully indemnify and the government, for all costs and damages which the government may suffer by reasons of failure so to do, and shall fully reimburse and repay the said XEN / Distt: Officer _____ Division _____ all out-lay and expenses which may incur in making good any such default and reasonable counsel fee incurred in the prosecution of defence of any action arising out of or in connection with any such default, and shall pay all persons who have contracts directly with the principal for labour and materials; if any, in connection with the work performed under the contract or any addition in or alteration thereto, or if the contract has not otherwise been rescinded by the government under the provisions of clause 60 of general conditions of contract, then this obligation shall be null and void and of no effect, otherwise to remain in full force and effect and virtue.
- (2) The said surety, for value received, hereby stipulate and agree that no change in or in respect of any matter or thing concerning the said contract on the part of the government or the Engineer-in-Charge, extension in time, alteration in or addition to the terms of the contract between the government and the contractor or to the extent and nature of the work be construed, completed and maintained there under, or the specifications accompanying the same shall in any way affect its obligations to this guarantee and it does hereby waive notice of any change, extension in time, alteration or addition to the terms of the contract, or to the specifications.
- (3) The liability of the surety is irrevocable and shall in no case exceed the aggregate amount stated on the top of this guarantee which each surety binds itself and promise to pay the whole or any part of this amount on

Contractor

Executive Engineer

demand to the XEN / Distt: Officer _____

Division _____

without question and without reference to the principal. Provided that the notice of demand shall be given by the aforesaid Executive Engineer, /District Officer in writing to the surety.

IN WITNESS WHEREOF, the above named principal and the surety have executed this instrument under its seal on this _____ day of 19 _____ the name and corporate seal of the surety being hereto affixed and these presents duly signed by its undersigned representatives pursuant to the authority of its Governing body.

Principal (Contractor) _____

Address _____

Sureties 1. _____ Bank of Pakistan Ltd. Or Bank of Punjab, _____ Branch.

Seal

Contractor

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Signed, sealed and delivered by the said principal and sureties in the presence of:

WITNESSES:

1. _____
Name _____
Address _____

2. _____
Name _____
Address _____

Contractor

Executive Engineer/

Signed sealed and delivered by the said guarantor in the presence of:

Witnesses.

1.

Name _____

Address _____

2.

Name. _____

Address. _____

Contractor

Executive Engineer/

ADDITIONAL CLAUSES

The following clauses shall also apply in addition to the General conditions (refer to clause 12 of instructions to bidders) of contract for execution of works, forming part of the tender documents.

1. (One) The work shall be carried out strictly in accordance with the Government of the Punjab Highway / Buildings Department standard specifications for Road and Bridge Construction and Buildings as amended to date, which form an integral part of the contract except where otherwise specified.

2. (Two) In case of firm / company the power of Attorney must accompany with the tender.

3. (Three) The Contractor shall before commencement of any work set it out accurately as shown on the lay out plans and other drawings. It shall establish permanent bench marks and reference points necessary for accurate layout at his own cost adjacent to the work. After the Contractor having set-out the work, the pegs and other marks shall be checked by the Sub Divisional Officer / DDO personally who shall then certify in writing that the work is correctly set out and that construction may commence. Any work done in contravention to this shall entirely be the responsibility of the Contractor and any modifications if reqd at later stage shall be at the cost of the contractor.

4. (Four) The Contractor shall arrange at his own cost borrow areas for obtaining suitable fill material for the embankment and sub grade as approved by the Engineer. The borrow areas shall not be located within the right of way of the road. No borrow pits shall be located within the Highway land as well as within thirty meters of the toe of the embankment.

5. (Five) Arrangement of the requisite plant and machinery, compaction and gradation control equipment, survey instruments, and straight edges etc, shall be the sole responsibility of the Contractor.

Provided, (i) any plant and machinery, if available with the Department, may be given to the Contractor on hire at the rate to be fixed by the Engineer Incharge. The Contractor shall be responsible for carriage of such machinery from the place of availability and return it where directed within the jurisdiction of Sub Division concerned. The hire charges shall be received from the date the machinery is physically handed over to the Contractor up to the date it is physically returned. The hire charges shall be recovered irrespective of the fact that the machinery remained idle in the custody of the contractor due to any reasons.

(ii) the Contractor shall be responsible for its safe custody, proper, maintenance and timely servicing and routine repair costing not more than Rs 500/ any one time to keep the machinery in good working condition during the period the machinery remained with him. The Oil/Lubricants shall be checked/changed under the direct supervision of the Sub Divisional Officer / DDO incharge. The hire charges in addition to the pay of crew and the P.O.L. which shall be procured by the Contractor at his own cost, in respect of the equipment machinery mentioned in the schedule annexed here to are shown against each.

6. (Six) The Contractor shall provide his own Tar Boilers and water Lorries and other earth moving machinery in requisite number as determined by the Engineer. The contractor shall not be allowed to

Contractor

Executive Engineer /

commence the work without adequate arrangement of water and sufficient number of water lorries which shall be equipped with proper sparking arrangements.

7. (Seven) The Contractor shall not be allowed to use the inspection road made and maintained by the Department. It shall have to make and maintain his own haul road.

8. (Eight) The Contractor shall protect his work from damage by traffic or otherwise and no material shall be stacked within the formation limits.

9. (Nine) The Contractor shall provide and maintain a field control laboratory at site of work with necessary accommodation and requisite sets of equipment and trained personal to carry out the following day to day tests.

(i) Gradation control tests for soils and aggregate materials for sub grade, sub base, base surfacing and concrete.

(ii) Compaction control test for sub grade, sub base and base course.

(iii) Test for temperature control for heating the bitumen and rate spread of bitumen and aggregate.

The Contractor shall make the above equipment available to the Engineer's representative free of cost, for any testing which he may direct be carried out for verification of the results carried out by the Contractor or otherwise.

10. (Ten) The Contractor shall carry out the following minimum number of final tests to ensure that the work carried out by him conforms to the prescribed specification. The test results shall be recorded in the prescribed forms and shall be produced on demand to the Engineer or his representative.

(a) For gradation control of aggregate, at least one sieve analysis test for every 2000 Cft (Two thousand cubic feet).

(b) For determination of field compaction as per specified compaction of the sub grade, sub base and base, a minimum of one test for every 500 linear feet of road length shall be carried out. The location of the tests shall be scattered all over the width, not according to any set pattern, so as to get true representation of the degree of compaction achieved. These tests shall be repeated for each layer compacted.

(c) Laboratory densities, at least once for each AASHTO soil group or sub group and at least one for each three thousand linear feet of embankment. Similarly for sub base and base course materials apart from testing envisaged above at least three initial Laboratory densities shall be determined for each source of aggregate.

(d) For quantity of bitumen and aggregate in bituminous surfacing a minimum of one test shall be carried out on a day's job and temperature of bitumen shall be observed on hourly basis.

(e) For steel reinforcement & cement, the contractors shall provide manufacture's certificates and reports. However each lot brought at site shall be sampled in the presences of Engineer Incharge or his

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representative and got tested from RR & MTI / BHS / University of Engineering and Wapda Testing Institute at the cost of the contractor.

(f) Concrete cubes / cylinders will be tested for days work of six cubes per 1500 CFT of concrete.

11. (Eleven) All jungle clearance before the commencement of work shall be the responsibility of the Contractor and no payment will be made on this account. The trees shall however, be got removed by the Department or the Contractor shall be paid for the same.

12. (Twelve) Service road shall be made / maintained by the contractor at his own cost without any extra payment from the Department.

13. (Thirteen) Any item not included in bid schedule got executed at site will be paid as per rate(s) displayed on Finance Department's Web Site applicable at the time of tender.

14. (Fourteen) In case of variation in T.S rate and quoted rate of particular item is 10% or more, then, the running payment of such items will be allowed at the rates provided in T.S. estimate + 4.5% permissibl, during the course of execution or work, The balance payment on account of variation in rate will be allowed at the completion of item quoted with extra ordinary low rate.

15. (Fifteen) Work will be executed strictly according to the scope and provisions of technically sanctioned estimate. Item of work execute in violation of provisions of sanctioned estimate in respect of location, scope, specifications, quantity and rate would not be entered nor paid by the field formation.

16. (Sixteen) Clause 37, 41 & 60 of the tender Contract Agreement shall be operated by the Engineer Incharge after obtaining prior approval form the competent authority as per Delegation of Financial Power Rules amended up-to-date.

17. (Seventeen) The Secured advance in terms of clause 15 of the agreement shall be paid only for the approved imperishable materials brought at site and which the contractor intends to consume within reasonable time and be recovered on its actual consumption.

Contractor

Executive Engineer /