

## **MUNICIPAL CORPORATION, BHILAI**

### **FORM-C**

#### **Tender and contract for supply of materials**

##### **General Rules and Directions for the Guidance of Contractors**

1. All supplies proposed to be obtained by contract will be notified in a form of invitation to tender posted in public places and signed by the Executive Engineer and (including press publicity if the tendered cost is more than Rs. .... )

The form will state the supplies to be made, as well as the date for submitting and opening tenders and the time allowed for carrying out the work, also amount of the earnest money to be deposited with the tender and the amount of the security deposit to be deposited by the successful tenderer and the percentages, if any to be deducted from bills, it will also state whether refund or quarry fees, royalties, octroi, duties and ground rents will be granted. Copies of the specifications and any other documents required in connection with the work signed for the purpose of identification by the authority competent to approve the tender shall also be open for inspection by the contractor at the office of authority selling the tender forms during office hours.

Further that the schedule of items along with the rates payable shall be attached to the tender documents and in the event of variation in rates given in such list with the schedule of Rates the rates given in the S.O.R. approved by the competent authority shall prevail.

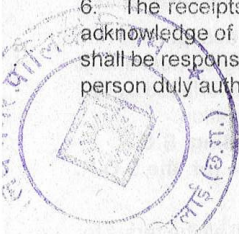
2. In the event of the tender being submitted by a firm, it must be signed separately by each member thereof, in the event of the absence of any partner, it must be signed on his behalf by a person holding a power of attorney authorising him to do so: Such power of attorney should be produced with the tender and it must disclose that the firm is duly registered under the Indian partnership Act.

3. Any person who submits a tender shall fill up above or below or at par with the S.O.R. specified in rule he is willing to undertake the work. Only one rate of percentage above or below or at par with the S.O.R. on all the scheduled items shall be noted. Tenders that propose any alteration in the work specified in the said N.I.T. or in the time allowed for carrying out the work or which contain any other conditions of any sort will be liable to rejection. No single tender shall include more than one work but contractors who wish to tender for two or more works shall submit a separate tender for each. Tenders shall have the name and number of the work to which they refer written outside the envelope.

4. The authority receiving tenders or his duly authorised assistant will open tenders in the presence of any intending contractors who may be present at the time and will enter the rate of all the tenders or in a comparative statement in a suitable form. Receipts for earnest money will be given to all tenderers.

5. The Officer competent to decide the tenders shall have the right of rejecting all or any of the tenders.

6. The receipts of clerk for any money paid by the contractor will not be considered as any acknowledge of payment to the Executive Engineer selling the tender form, and the contractor shall be responsible for seeing that he procures a receipt signed by that authority or any other person duly authorised by him.





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7. The memorandum of work tendered for be filled in and completed before the tender form is issued. If a form is issued to an intending tenderer without having been so filled in and completed, he shall request the officer to have this done much before he completes and delivers his tender.

(Tender for the supply of Materials)

### MEMORANDUM

Amount put to tender .....

Earnest money Rs. ....

Security Deposit (including earnest money)Rs. @ ..... % (..... Percentage) of amount put to tender

\*Percentage if any, to be deducted from bills. Rs @.....%(..... percent) of the Bill amount)

\* This percentage, where no Security Deposit is taken, will vary from 5 percent to 10 percent according to the requirements of the case. Where security deposit is taken see note to clause 1 of conditions of contract.

Stipulated period of completion Month including/excluding rainy season (16th June to 15th October. )

### -Schedule of Quantity -

S.No.	Item	Locations of Supply	Quantity at each location	S.O.R. rate	Remark
1	2	3	4	5	6

### **=Tender for Supply=**

I/We hereby tender for the supply of material as specified and detailed above within the time specified in such memorandum at (in figure) ..... (in word) ..... Percent below/above/at par with S.O.R. mentioned and in accordance in all respects with the specifications.

**Note:- (1)** In case of discrepancy or difference in the rate of words and figure the lower of the two shall be deemed and treated as valid. If the contractor is not ready to accept - this rate and amount so fixed in the above manner and declines to either sign the agreement and or execute the work, the Earnest money deposited by the contractor shall be forfeited by the Executive Engineer in favour of the Commissioner of the Municipal Corporation.

**(2)** In case of any discrepancy in the column 5 of the table above regarding S.O.R. written there and the rate as written in the S.O.R. Book the latter rate (of the S.O.R. Book) shall govern.

Should this tender be accepted, I/We hereby agree to abide by and fulfill all the terms to the above specifications and all the conditions of contract annexed hereto, or in default thereof.



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to forfeit and pay to the Executive Engineer or his successors in office the sums of money mentioned in the said conditions. A separate sealed cover duly superscribed containing the sum of Rs. ----- as earnest money the full value of which is to be absolutely forfeited to the said Executive Engineer or his successors in office without prejudice to any other rights or remedies of the said Executive Engineer or his successors in office should I/We fail to commence supply of the materials specified in above memorandum or (a) should I/We not deposit the full amount of security in accordance with clause (A) of the conditions of contract, otherwise the said sum of Rs. ----- shall be retained by Municipal Corporation on account of such security deposit as aforesaid, or (B) the full value of which shall be retained by Municipal Corporation on account of the security deposit in clause I (B) of the said conditions of contract.

Signature of witness Name & Address

Signature of the contractor before submitting the tender

Name & Address

The above tender is hereby accepted by me on behalf of the Municipal Corporation, Bhilai

Date-----

Signature of the officer by whom tender is accepted

(with Seal of Office)

### CONDITIONS OF CONTRACT

#### Definition:-

1. The contract means the documents, forming the notice inviting tenders and tender documents submitted by the tenderer and the acceptance thereof including the formal agreement executed between the Executive Engineer and the contractor.
2. In the contract the following expressions shall unless otherwise required by the context have the meanings hereby respectively assigned to them: -
  - (a) The expression "works" or "work" shall unless thereby mean something either in the subject or context repugnant to such construction be construed and taken to mean the works or by virtue of the contract contracted to be executed whether temporary or permanent and whether original, altered, substituted or additional.
  - (b) The "site" shall mean the land and/or other places on, into or through which work is to be executed under the contract or any adjacent land path or street through which work is to be executed under the contract or any adjacent land, path, or street which maybe allotted or used for the purpose of carrying out the contract.
  - (c) The "Municipal Corporation Bhilai" means Municipal Corporation Bhilai of Chhattisgarh and his successors in Office.
  - (d) The "Executive Engineer" means the Executive Engineer as the case may be who shall supervise and be in charge of the work and who shall sign the contract on behalf of the Municipal Corporation Bhilai.
  - (e) The word "Work" means complete and full "Supply of Material(s) as per contract" (quantity and value)

**Note:-** "Words" importing the singular number include plural number and vice-versa,



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**Clause 1 :- SECURITY DEPOSIT :-** The person whose tender may be accepted (hereinafter called the contractors which expression shall unless excluded by or repugnant to the context include his heirs executors, administrators representatives and assigns) shall permit Municipal Corporation, Bhilai at the time of making any payments to him for the value of work done under the contract to deduct the security deposit as under.

The Security Deposit to be taken for the due performance of the contract under the terms & conditions printed on the tender form will be the earnest money plus a deduction of 5 (five) percent from the payment made in the running bills, till the two together amount to 5 (five) percent of the cost of work put to tender or 5 (five) percent of the cost of the works executed when the same exceeds the cost of work put to tender

**Clause 2 :- COMPENSATION FOR DELAY :-** The time allowed for carrying out the work, as entered in the tender form, shall be strictly observed by the contractor and shall be deemed to be the essence of the contract and shall be reckoned from the fifteenth day after the date on which the order to commence the work is issued to the contractor, for a work where completion is up to 6 months

**For works [supply(ies)], for which the completion period is beyond six months: -**

The period will be reckoned from the thirtieth day after the date on which the order to commence the work is issued to contractor. The work shall throughout the stipulated period of contract be proceeded with all due diligence, keeping in view that time is the essence of the contract. The contractor shall be bound in all cases, in which the time allowed for any work exceeds one month, to complete 1/8th of the whole work before 1/4th of the whole time allowed under the contract

has elapsed, 3/8 th of the work before 1/2 of such time has elapsed and 3/4th of the work before 3/4th of such time has elapsed. In the event of the contractor failing to comply with the above conditions, the Executive Engineer shall levy on the contractor, as compensation an amount equal to: 0.5% (zero point five percent) of the value of work (contract sum) for each week of delay, provided that the total amount of compensation under the provision of the clause shall be limited to 6% (six percent) of the value of work. (Contract sum)

Provided further that if the contractor fails to achieve 30% (thirty percent) progress in 50% (fifty percent) of original or validly extended period of time (reference clause 5 below) the contract shall stand terminated after due notice to the contractor and his contract finalized, with earnest money and or security deposit forfeited and levy of further compensation at the rate of 10% of the balance amount of contract left incomplete, either from the bill, and or from available security or shall be recovered as "Arrears of land revenue".

The decision of the Commissioner in the matter of grant of extension of time only (reference clause 5 below) shall be final, binding and conclusive. But he has no right to change either the rate of compensation or reduce and or condone the period of delay- once such an order is passed by him (on each extension application of the contractor). It shall not be open for a revision.

**Where the Executive Engineer decides that the contractor is liable to pay compensation for not giving proportionate progress under this clause and the compensation is recommended during the intermediate period, such compensation shall be kept in deposit and shall be refunded if the contractor subsequently makes up the progress for the lost time, within the period of contract including extension granted, if any. failing which the compensation amount shall be forfeited in favour of the Municipal Corporation, Bhilai**





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**Clause 3 :- Action when the work is left incomplete abandoned or delayed beyond the permitted time limit by the Executive Engineer: -**

- (i) The Executive Engineer may terminate the contract if the contractor causes a fundamental breach of the contract.
- (ii) Fundamental breach of contract shall include, but not be limited to, the following :
  - (a) The contractor stops work for four weeks, when no stoppage of work is shown on the current programme or the stoppage has not been authorised by the Executive Engineer.
  - (b) The Executive Engineer gives notice that failure to correct a particular defect is a fundamental breach of contract and the contractor fails to correct it within reasonable period of time determined by the Executive Engineer in the said notice.
  - (c) The contractor has delayed the completion of work by the number of weeks [12 (Twelve) weeks] for which the maximum amount of compensation of 6% of contract sum is exhausted.
  - (d) If the contractor has not completed at least thirty percent of the value of construction work required to be completed in half the completion period (Including validly extended period if any).
  - (e) If the contractor fails to appoint an engineer and if appointed does not function properly for 4 weeks even after due written notice by the Executive Engineer.
  - (f) If he violates labour laws.
  - (g) Any other deficiency which goes to the root of the contract Performance. If the contract is terminated, the contractor shall stop work immediately, make the site safe and secure and t
- (iii) The Executive Engineer shall cause recording and checking of measurements of all items of work done (taking in to account quality and quantity of items actually executed) and prepare
- (iv) the final bill after adjusting all previous outstanding dues. Such recording of measurements shall be done after due notice regarding time and date of recording measurement and directing the contractor to either remain present himself or his authorised representative so as to satisfy himself that the recording of measurement is just and proper. Failure on his parts either to attend and or refusing to acknowledge the measurement so recorded in the department measurement book, shall be at his sole risk and responsibility.
- (v) In addition to the provision contained in clause 2 above the Executive Engineer shall forfeit the earnest money and or security deposit and recover/deduct/adjust a compensation of 10% (ten percent) of the balance value of work left in complete either from the bill, and or from available security or shall be recovered as "Arrears of land revenue"

**Clause 4:-** The contractor shall give notice to the Executive Engineer of his intention of making delivery of material and on the materials being approved, a receipt shall be granted to him by the

Executive Engineer or his assistant, and no materials will be considered as delivered until so approved.

**Note :-**

- (1) The mode of measurement (of road materials) shall be on the basis of random check of 10% (ten) percentage of the total quantity in the different location(s) and the average quantity of such checks shall be deemed to be the basis of arriving at the total quantity of that item supplied.



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- (2) The size of stack shall be by the method of boxing (1.5M x 1.5M x 0.5M, or in any other measurable stacks). The mode of net measurement payable shall be as prescribed in MOST/ I.R.C. Publications/ I.S. specification and its relevant clause (s).

#### EXTENSION OF TIME:

##### Clause 5

**5.1:-** If the contractor shall desire an extension of time for completion of work on the ground of his having been "UNAVOIDABLY" hindered in its execution or on any other ground, he must apply giving all and complete details of each of such hindrances or other causes in writing, to the Executive Engineer positively within 15 days of occurrence of such hindrance(s) and seek specific extension of time (period from ..... to ..... ). If in the opinion of Executive Engineer, such reasonable grounds are shown, the Executive Engineer shall himself grant extension of time, if the extension of time sought by the contractor is for one month or 10% (ten percent) of the stipulated period of completion, whichever is more. If the extension of time sought is more than above period mentioned, then the Executive Engineer shall refer the case to the Commissioner with his recommendation and only after his decision in this regard, the Executive Engineer shall sanction extension of such time as decided by the Superintending Engineer.

Once the Executive Engineer/Commissioner has decided the case of extension of time with reference to the particular application of the contractor, it will not be competent for them to review/change such a decision later on. However, the Commissioner and the Executive Engineer shall give the contractor an opportunity to be heard (orally and or in writing), before taking any final decision either of granting extension of time or permitting the contractor to complete the work by the delayed date (under clause 2 of the contract) or before refusing both.

Provided further where the Executive Engineer has recommended grant of extension of particular time under clause 5.1 of the contract or has refused to recommend extension of time but has recommended permitting the contractor for delayed completion, (clause 2) the contractor shall continue with the work till the final decision by Executive Engineer / Superintending Engineer.

Failure on the part of the contractor for not applying extension of time even within 30 days of the cause of such an hindrance, it shall be deemed that the contractor does not desire extension of time and that he has "Waived" his right if any, to claim extension of time due to such particular hindrance.

Once the Executive Engineer /Commissioner has heard (oral and or in writing) the contractor on this subject matter of extension of time and if Executive Engineer/Commissioner fails to communicate his decision within a period of 30 days of such hearing, it shall be deemed that the contractor has been granted extension of time for the period as applied by him.

**Clause 6:-** The Executive Engineer shall power to make any alteration in omissions from additions to, or substitution for, the supply of the materials as specified in the tender, which may appear to him to be necessary during the progress of the supply and the contractor shall be bound to carry out the supply in accordance with such instruction as may be given to him in writing signed by Executive Engineer and such alteration, omissions, additions or substitutions shall not invalidate the contract and any additional, altered or substituted supply which the contractor may be directed to make as here in before provided as part of the supply under this contract shall be carried out by the contractor on the same condition in all respect as are herein contained and at the same rates as are specified in the tender. The time for the completion of the supply shall be extended in the proportion that the altered, additional or substituted supply bears to the original supply contracted for and the certificate of the Executive Engineer shall be conclusive as to such proportion. And if the altered, additional or substituted supply includes any class of supply, for which no rate is specified in this contract, then, such class of supply shall be carried out at the rates entered in the schedule of rates which was in force at time of the acceptance of the contract, provided that when the tender for the original supply is a percent-



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age below/above the schedule of rates the altered additional or substituted supply required as aforesaid shall be chargeable at the said Schedule a rate minus/plus the same percentage deduction/addition and if such class of supply is not entered in the said schedule of rates, then the contractor shall within seven days of the date of his receipt of the order to carry out the supply informing the Executive Engineer of the rate which it is his intention to charge for such class of supply and if the Executive Engineer does not agree to this rate, he shall, by notice in writing, be at liberty to cancel his. Order to carry out such class of supply and arrange to carry it out in such manner as he may consider advisable, provided always that if the contractor shall commence supplier incur any expenditure in regard there to the rates shall have been determined as lastly here in before mentioned then and in such case he shall only be entitled to be paid in respect of the supply carried out or expenditure incurred by him period to the date of determination of the rate as aforesaid according to such rate or rates as shall be fixed by the Executive Engineer in the event of a dispute. the decision of the Commissioner of Municipal Corporation Bhilai shall be final.

**Clause 7:-** If at any time after the execution of the contract document the Executive Engineer shall for any reason, whatsoever, require the whole or part of the supply as specified in the tender, to be stopped for any period or shall not require the whole or part of the supply to be carried out he shall give notice in writing of the fact to the contractor who shall then! upon suspend or stop the supply partially as the case may be. In any such case except as provided hereunder, the contractor 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 supply in full, but which he did not so drive in consequence of the full supply not having been allowed to be carried out or on account on any loss the he may be put to on account of material J.6 purchased or agreed to be purchased or for unemployment of labour recruited by him. He shall not also have any claim for compensation by reason of any alterations having made in original specifications location of work quantities and instruction which may involve any curtailment of the supply as Original contemplated. Where however materials have already been purchased or agreed to be purchased by the contractor before receipt of the said notice, the contractor shall be paid for such materials at the rates determined by the Executive Engineer provided they are not in excess of requirements and are of approved quality and/or shall be compensated for the loss, if any, that he may be put to in respect of materials agreed to be. purchased by him, the amount of such compensation to be determined by the Executive Engineer whose decision shall be final. If the contractor suffers any loss on account of his having to pay labour charges during the period during which the stoppage of supply has been ordered under this clause, the contractor shall, on application be entitled to such compensation on account of labour charges at the Executive Engineer whose decision shall be final, may consider reasonable provided that the contractor shall not be entitle to any compensation on. account of labour charges, if in the opinion of the Engineer in charge the labour could have been employed by the contractor elsewhere for the whole or part of the period during which the stoppage of the supply has been ordered as aforesaid.

**Clause 8:-** On the completion of the delivery of the materials the contractor shall be furnished with a certificate to that effect by the Executive Engineer but the delivery will not be considered complete until the contractor shall have removed all rejected materials and shall have the approved materials, stocked placed in such position as may be pointed out to him.

**Clause 9:-** Payment will ordinarily be made once a month to the extent of 9/10 of the quantity delivered each month. But all such payments made shall be considered as payment on account to be covered by the final bill for the complete supply.

**Clause 10:-** The materials shall be of the best description and in strict accordance with the specification and the contractor shall receive payment for such materials only as are approved and passed by the Executive Engineer.

**Clause 11:-** In the event of the materials being considered by the Executive Engineer to be inferior to that described in the specification, the contractor shall on demand in writing forthwith,



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remove the same at his own charge and cost, and in the event of his neglecting to do so within such period as may be named by the Executive Engineer, that officer may have such rejected material removed at the contractor's risk and expense incurred being liable to be deducted from any sum due or which may be come due to the contractor.

**Clause 12:-** Receipts for payment made on account of a work when executed by a firm must also be signed by several partners, except where the contractor's are described in their tender as a firm, in which case, the receipts must be signed in same of the firm by on of the partners, or by some other person having authority to give effectual receipts for the firm.

**Clause 13:-** If the contractor or his work people or servants shall break, deface, injure or destroy any part of a building in which they may be working or any building, road, road curbs fence, enclosure, water pipes cables, learns electric or telephone post or wires, grass or grass-land or cultivated ground, the contractor shall make the same good at his own expense or in default, The Executive Engineer may cause the same to be made good by other workmen and deduct the expense (of which certificate of the Engineer-in charge shall be final) from any sums that may, than or at any time thereafter may become due to the contractor, or from his security deposits, or the proceeds of sale thereof, or of a sufficient portion thereof.

**Clause 14:-** Under no circumstance whatever shall the contractor be entitled to any compensation from Municipal Corporation Bhilai of any account 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 15 In every case in which by virtue of the provision of Section 12 sub/section (1) of the workmen's compensation Act. 1923 Municipal Corporation Bhilai are obliged to the pay compensation to a workman employed by the contractor on execution of the work, Municipal Corporation Bhilai will recover from the, contractor the amount of the compensation paid, and, without prejudice of the rights or Municipal Corporation Bhilai under Section 12 sub-section- (2) of the said Act. Municipal Corporation Bhilai shall be at liberty to recover such amount or any part there of by deducting it from the security deposit or from any sum due by Municipal Corporation Bhilai to the contractor whether under this contractor or other wise, Municipal Corporation Bhilai shall not be bound to contest any claim made against them under section 12, subsection (1) of the said Act except on the written request of the contractor and upon his giving Municipal Corporation Bhilai full security for all costs for which Municipal Corporation Bhilai might become liable in consequence of contesting such claim.

**Clause 16:-** No-materials shall be brought to site or delivered on Sundays without the written permission of the Executive Engineer.

**Clause 17:-** The contract shall not be sublet without the written permission of the Divisional Officer. In the event of the contractor subletting his contract without such permission, he shall be considered to have there by committed a breach of contract, and shall forfeit his security deposit, and shall have no claim for any compensation for any loss that may occur from the materials he may have collected or engagements entered into.

**Such subletting in no case shall exceed 25% (Twenty five percent) of the value of contract.**

**Note:-** If the contractor executes the work through "petty workers" on "Task Rate Basis" then this will not be treated as subletting.

**Clause 18:-** The decision of the Commissioner for the time being shall be final conclusive and binding on all parties of the contract upon all question relations to the meaning of specification and in instructions herein before mentioned and as to quality of materials or as to any other question claims right, matter or thing whatsoever in any way arising out of, relating to the contract, specification Instruction, orders these conditions or otherwise concerning the supplies whether arising during the progress of delivery of after the completion or abandonment thereof.

**Clause 19:-** On the breach of any term or condition of this contract by the contractor, the said Municipal Corporation Bhilai shall. be entitled to forfeit the security deposit, or the balance



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thereof, that may at that time be remaining and to realise and retain the same as damages and compensation for the said I : each., but without prejudice to ' the right of the said Municipal Corporation Bhilai to recover any further sums as damages from any sum's due or. Which may become due to the contractor by Municipal Corporation Bhilai or otherwise howsoever.

**Clause 20:-** If the Municipal Corporation Bhilai declare a state of scarcity. or famine to exist in any village situated within 16 Kilometer of work site, the contractor shall employ upon such parts of the work, as are suitable for unskilled. labour, any person certified to him by the Executive Engineer or by any person to whom the Executive Engineer may have delegated this duty in writing ,to be in need of relief and shall be bound to' pay such persons wages not below the minimum which Municipal Corporation Bhilai may have fixed in this behalf. Any dispute which may arise in connection with the implementation of this clause shall be decided by the Executive Engineer whose decision shall be final and binding on the contractor. '

#### **Refund of Quarry Fees and Royalties**

**Clause 21:- Royalty on Minor Minerals** The contractor shall pay all quarry fee, Royalty charges etc. before he transports such materials from borrow area, quarry area to worksite.

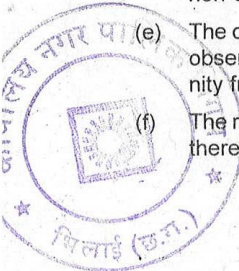
The contractor while submitting his monthly bill to the Executive Engineer shall include in his bill all the Royalty Payment receipts (Pit passes, Royalty permits, Payment voucher receipts etc., as the case may be). On these payment receipts the contractor has to record that the quantity mentioned in these has been/or is intended to be used "for supply" in the Contract Agreement No. .... of ..... After examination the Executive Engineer shall stamp the seal of his office on these receipts and after retaining the original return the photocopy to the contractor at the time of payment of running /final bill.

No bill either running or final shall be paid to the contractor in the absence of such Royalty payment receipts. After payment of final bill original vouchers/receipts/permits the contractor shall return the photocopies and take back the originals.

**Clause 22:-** The contractor shall pay not less than fair wages to labours engaged by him on the work.

#### **EXPLANATION :-**

- (a) "Fair wage" means wages during the entire contract period
- (b) The contractor shall , notwithstanding the provisions of any contract ,to the contrary cause to be paid a fair wage to labourers directly or indirectly engaged on the work including any labour engaged by his sub-contractors in connection with the said work ,as if the labourers had been immediately employed. by him.
- (c) In respect of all labour directly employed on the works. for the performance of the contractors part of this agreement ,the contractor shall comply with or cause to be complied with the labour Act in force.
- (d) The Executive Engineer shall have the right to deduct, from the moneys due to the contractor. any sum required or estimated to be required for making good the loss suffered 'by a worker or workers by reasons of non-fulfillment of condition's of the contract for the benefit of the worker/ workers on payment of wages or of deductions made from his or their wages, which are not justified by their terms of the contract or non-observance of the regulations.
- (e) The contractor shall' be primarily liable for. All payments to be made under and for the observance of the regulations aforesaid without prejudice to his right to claim indemnity from his sub-contractors.
- (f) The regulations aforesaid shall be deemed to be a part of this contract and any breach thereof shall be deemed to be a breach of this contract.





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**Clause 23 :-** If the contractor dies or becomes permanently incapacitated and in the case of "Partnership Firm", if the surviving partners are "Minors" then the contract would be closed without levy of any compensation from the contractors heirs or incapacitated Contractor.

**Clause 24 :- TECHNICAL EXAMINATION**

The Municipal Corporation Bhilai shall have the right to cause Audit and Technical Examination of the works and the final bills of the contractor including all supporting vouchers, abstracts etc. to be made as per payments of the final bills and if as a result of such Audit & Technical Examination the sum is found to have been overpaid in respect of any work done by the contractor under the contract or any work claimed by him to have been done under contract and found not to have been executed, the contractor shall be liable to refund the amount of over payment and it shall be lawful for the Municipal Corporation Bhilai to Recover the same from the security deposit of the contractor or from any dues payable to the contractor from the Municipal Corporation Bhilai account if it is found that the contractor was paid lesser than what was due to him under the contract in respect any work executed by him under it, the amount of such under payment shall be duly paid by the Municipal Corporation Bhilai to the contractor.

In the case of any audit examination and recovery consequent on the same the contractor shall be given an opportunity to explain his case and decision of the Commissioner shall be final. In the case of Technical Audit, consequent on which there is a recovery from the contractor, no recovery, should be made without orders of the Commissioner whose decision shall be final. All action under this clause should be initiated and intimated to the contractor within a period of twelve months from the date of completion of the contract in full (Including performance/defect/maintenance liability period if any)

**Clause 25- PENALTY FOR BREACH OF CONTRACT :**

On the breach of any term or condition of this contract by the contractor the said Municipal Corporation Bhilai shall be entitled to forfeit the Security deposit or the balance thereof that may at the time be remaining, and to realise and retain the same as damages and compensation for the said breach but without prejudice to the right of the Municipal Corporation Bhilai to recover further sums as damages from any sums due or which may become due to the contractor by Municipal Corporation Bhilai or otherwise howsoever.

