

## **SPECIAL CONDITIONS OF CONTRACT (SCC)**

1. General: The special conditions of the contract (SCC) are complementary to and shall be read in conjunction with General Conditions of Contract (GCC) of VSP for P&A Contracts. Scope of work, Bill of Quantities and other documents form part of the Tender Documents. In case of any conflict of meaning between SCC & GCC, provisions of SCC shall over ride the Provisions of GCC.
2. Visakhapatnam Steel Plant reserves the right to accept or reject the lowest or any other tender without assigning any reason and the work may be awarded to one of the Tenderers or to more than one tenderer.
3. The contract shall be treated as having been entered into from the date of issue of the letter of Acceptance /work order to the successful tenderer, unless otherwise specified.
4. WATER, POWER AND COMPRESSED AIR: Unless otherwise specified to the contrary in the tender schedule, the contractor is entitled to use in the work such supplies of water, power and compressed air (Basing on availability) from VSP's sources from approved tapping points, free of cost. The contractor shall make his own arrangement for drawing the same to the work spot.
5. **The successful tenderer shall produce Registration Certificate under APVAT Act, wherever applicable, before signing the Work Order / Letter of Acceptance and submit a copy of the same.**
6. Immediately on receipt of work order, the successful tenderer shall obtain and submit the following documents to the Engineer with a copy to ZPE/Manager (Pers)/CLC before start of work.
  - a(i) **ESI registration certificate** with the contractor's Code no. covering all the workmen under ESI Scheme, which shall be effective from the date of start of contract and cover for the entire period of contract including extended period/defect liability period, if any.
  - a(ii) **Insurance policy for payment of exgratia amount of Rs.5,00,000/-** (Rupees Five lakhs only) per head in case of fatal accidents while on duty, to the contract labour engaged by him in addition to the coverage under ESI Scheme / Workmen Compensation Insurance Policy whichever is applicable. As and when a fatal accident takes place while on duty along with the benefits under the ESI Scheme / Workmen Compensation, whichever is applicable, the contractor is required to pay the ex-gratia amount within 30 (Thirty) days from the date of accident to the legal heir of the deceased. **In case of any delay in paying the ex-gratia amount as above, the Employer has the right to pay such amount directly to the legal heir of the deceased and recover the same from the contractor's running / future bills.** This insurance policy is to be taken by the contractor over and above the provisions specified under Clause No. 6.13 (Third Party) and 6.14 (ESI Act) of the General Conditions of Contract.
  - a(iii) **Copy of the policy for third party insurance** as stipulated in Clause 6.13 of the GCC.
  - b) Labour License obtained from Asst. Labour Commissioner (Central), Visakhapatnam.**
  - c) PF Registration Certificate issued by PF Authorities**
  - d) Safety clearance** from Safety Engineering Department of VSP.
7. The contractor shall submit wage records, work commencement/completion certificate etc. and obtain necessary clearance from Contract Labour Cell of VSP for Pre-final/Final Bills clearance.
8. The contractor shall ensure strict compliance with provisions of the Employee's Provident Fund Act, 1952 and the scheme framed there under in so far as they are applicable to their establishment and agencies engaged by them. The contractor is also required to indemnify the employer against any loss or claim or penalties or damages whatsoever resulting out of non- compliance on the part of the contractor with the provisions of aforesaid act and the schemes framed there under. A copy of the provident fund membership certificate/PF CODE number shall be submitted by the contractor.
9. The contractor shall follow the provisions of Indian Factories Act and all rules made there under from time to time as applicable and shall indemnify the employer against all claims of compensations under the provisions of the act in respect of workmen employed by the contractor in carrying out the work against all costs, expenses and penalties that may be incurred by the employer in connection therewith.
10.
  - a) Total amount quoted shall be inclusive of all taxes, levies, duties, royalties, overheads and the like **but excluding service tax** prevailing as on the date of submission of bids.
  - b) During the operation of the contract if any new taxes/duties/levies etc are imposed or rates undergo changes, as notified by the Government and become applicable to the subject works, the same shall be

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reimbursed by VSP on production of documentary evidence in respect of the payment of the same. Similarly benefits accruing to agency on account of withdrawal/reduction in any existing taxes and duties shall be passed on to VSP.

- c) The benefit offered by the agency (other than Service Tax) will be deducted from each bill on the offered percentage basis. Amount so recovered shall be released, limiting to the percentage of benefit offered on the quoted price, only on receipt of credit by VSP.
- d) The prices are exclusive of Service Tax. RINL-VSP will pay Service Tax as applicable on submission of Invoices in accordance with Rule 4A (1) of Service Tax Rules 1994.

The contractor will be paid Service Tax by RINL-VSP along with monthly service charge bills for further deposit with Central Excise Authorities. The contractor will, in turn, submit the documentary evidence in support of payment of Service Tax of each month along with subsequent month RA Bills.

11. **ADVANCE:** No advance of any sort will be given by VSP.
12. **PAYMENT TERMS:** Payment will be made monthly on recommendations of the Engineer basing on the quantities executed, at accepted rates.
13. **MEASUREMENTS:** The contractor shall take measurements jointly with the Engineer or his representative and keep joint records for the same. Bills shall be prepared and submitted by the contractor basing on agreed measurements.
14. **INITIAL SECURITY DEPOSIT (ISD):** Initial Security Deposit for the work shall be @ 2% of contract price. Earnest Money Deposited by the successful tenderer shall be adjusted against ISD, and the difference between ISD and EMD shall be deposited in the manner mentioned in the work order/letter of acceptance.
15. **RETENTION MONEY:** Retention Money for contracts up to a value of Rs. 100 lakhs, at the rate of 7.5% of the bills for works with defective liability period *not NIL* and at the rate of 5.0% for works with defective liability period *"NIL"* will be deducted from each bill until this amount together with the Initial Security Deposit reach the limit of retention which is 7.5% or 5.0% as the case may be for the value of work. The Retention Money shall be released after the satisfactory completion of defect liability period after liquidating the defects. For contracts of value above Rs.100 Lakhs, the limit of retention money shall be Rs.7.5 lakhs plus 5% of the value exceeding Rs.100 lakhs.
16. **Security Deposit: The Public Sector Enterprises or State/Central Government Undertakings/ Micro & Small Enterprises (MSEs) listed with NSIC will not be required to submit Security Deposit, but however they shall submit "Performance Guarantee Bond" in lieu of Security Deposit in the prescribed proforma equivalent to the value of Security Deposit covering the period of contract + defect liability period + 6 months (Claim period).**
17. Recovery of income tax at source will be made from contractor's bill and deposited with Income Tax Department as per rules. Recovery of sales tax applicable shall be made from the contractor's bills.
18. **SAFETY:**
  - a) The contractor and his workers must strictly take all safety precautions and shall supply to his workers dependable safety appliances like hand gloves, safety boots, safety belt, safety helmets, duster cloth, dust mask/nostril filter etc. In addition to this, contractor shall also provide additional safety appliances as per requirement and follow safe working practices like using fully insulated electrode holders etc. He shall also ensure that his workmen intelligently use only dependable safety appliances supplied to them.
  - b) The contractor shall take adequate safety precaution to prevent accidents at site. The contractor shall also ensure that his employees observe the statutory safety rules and regulations and also those laid down by the employer from time to time and promptly submit report of accident and state the measures taken by him to prevent their recurrence and also keep the employer indemnified of all claims arising out of such accidents.
  - c) No Workmen shall be engaged on the work without proper safety induction and without using required PPE. Use of safety helmet and shoe is must excepting in painting works where shoe will not be used.
  - d) All the safety appliances required for safe working as decided by SED/Contract operating deptment shall be provided by the contractor to his workmen.
  - e) Clearance to start the job will be obtained by the contractor in form 'A&B' before start of work. The forms may be obtained from the dept. concerned.
  - f) Works at height cannot be started without clearance from Engineer-In-charge/ Zonal Safety Officer. The workers engaged for work at height shall possess height pass from SED where ever applicable. The names of workmen working at height or in hazardous areas will be written on the body of form "B".
  - g) Contravention of any safety regulation of VSP in vogue from time to time will result into work stoppage, levying penalties and ultimately in contract termination. [The list of safety violations category wise are as follows:](#)

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Category	Safety violations	Fine
I	<ol style="list-style-type: none"> <li>Occasional violation of not wearing crash helmet</li> <li>Driver of two wheeler carrying more than one pillion rider</li> <li>Wrong parking of vehicle</li> </ol>	<p>First offence: Rs.100/- Second or subsequent offences: Rs.300/-</p> <p>First offence: Rs.100/- Second or subsequent offences: Rs.300/-</p> <p>First offence: Rs.100/- Second or subsequent offences: Rs.300/-</p>
II	<p><b><u>MINOR VIOLATIONS</u></b></p> <ol style="list-style-type: none"> <li>Working at height without height pass.</li> <li>Unauthorized entry at hazardous location.</li> <li>Engaging workers without safety training</li> <li>Proper ladder/steps not provided for working.</li> <li>Failure to provide proper shuttering at excavation works.</li> <li>Power connection taken from board without proper board plug.</li> <li>Fitness certificate of cranes/hydra/heavy vehicles not available.</li> <li>Crane rope conditions not OK.</li> <li>Not wearing safety helmet / safety shoe at site.</li> <li>Safety goggles/Hand gloves not used.</li> <li>Gas cutting without goggle.</li> <li>Rolling/lifting of cylinder/dragging on the ground (without cage)</li> <li>Welding with non standard holder.</li> <li>Welding machine earthing not done (double body earthing)</li> <li>Gas hose pipe clamping done by wires.</li> <li>LPG Cylinder date expire / over.</li> <li>Loading/unloading of cylinder – cushion not given.</li> <li>Condition of hose pipe not good.</li> <li>Working with leaking cylinder.</li> <li>Using non power cable instead of welding cable.</li> <li>Working without work permit / shut down.</li> <li>Not putting red flags / stoppers.</li> <li>Dismantling of structure without authorized plan.</li> <li>Unauthorized Oxygen/Nitrogen tapping.</li> <li>Not having proper gate passes / other area passes.</li> <li>Use of damaged slings / tools / ropes.</li> <li>Use of hand grinders / mixer machines without guard.</li> <li>Not reporting of accident.</li> <li>Taking shelter behind electrical panel.</li> <li>Driving of heavy vehicles on the main road during restricted hour.</li> <li>Truck side panel / broken not OK.</li> <li>Dropping / Spillage of material on the road.</li> <li>No number plate on vehicle.</li> <li>No indicator light / brake light on vehicles.</li> <li>Driving dangerously.</li> <li>Overloading of the vehicles beyond CC weight.</li> <li>Racing and trials of speed, overtaking heavy vehicles.</li> <li>Moving vehicles in unauthorized restricted routes.</li> <li>Talking with cell phone while driving.</li> <li>Truck carrying powdery material without tarpaulin.</li> <li>Vehicles without red flags / red lights, side guards &amp; tonnage.</li> <li>Stock protruding out of the truck body.</li> </ol>	<p>First violation: Rs.2500/-</p> <p>Second time violation: Rs.10,000/-</p> <p>Third time repeated violation: Rs.20,000/-</p> <p>First violation: Rs.2500/-</p> <p>Second time violation: Rs.10,000/-</p> <p>Third time repeated violation: Rs.20,000/-</p>

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Category	Safety violations	Fine
III.	<b><u>MAJOR VIOLATIONS:</u></b> <ol style="list-style-type: none"> <li>Using bamboo or other non standard material for scaffolding.</li> <li>Railing not given at platforms or opening of floor.</li> <li>Scaffolding planks not tied properly.</li> <li>Throwing / dropping of material from height.</li> <li>Proper ladder / approach not given for working at height.</li> <li>Walkway / cross over path not provided.</li> <li>No barricading of excavated pits.</li> <li>No top cover on power distribution board.</li> <li>Sleeping under truck.</li> <li>Absence of Supervisor at height works, confined space jobs and other hazardous jobs.</li> <li>Welding screen / face shield, welder gloves not used.</li> <li>Driving vehicles without valid driving license.</li> <li>Driving by a drunken person.</li> </ol>	Rs.7,500/- for 1 <sup>st</sup> violation, 2 <sup>nd</sup> and subsequent violations Rs.15,000/-.
IV.	<b><u>HIGH RISK VIOLATIONS:</u></b> <ol style="list-style-type: none"> <li>Failure to use full body harness with double lanyard.</li> <li>Life line of full body harness not anchored.</li> <li>Floor opening left unguarded in the area of work.</li> <li>Working at roof without daily permit.</li> <li>Working in confined space without confined space work permit.</li> <li>Violation of electrical shut down / PTW.</li> <li>Violation of HOT work permit system.</li> </ol>	Rs.15,000/-
V.	<ol style="list-style-type: none"> <li>Serious injuries and permanent disabilities.</li> <li>Fatal accident cases</li> </ol>	Rs.1,00,000/- or 2.5% of contract value whichever is less.  Rs.2,00,000/- or 10% of contract value whichever is less.

(1) The above penalties related to the accidents mentioned at Category (V) will be imposed on agency in case the reasons to the accidents are attributable to the agency.

(2) Independent of the above, the contractor shall be debarred or deregistered from taking up further contractual work in VSP in case any repeated fatal accident after 3<sup>rd</sup> incident for the reasons attributable to contractor.

Note: The penalties mentioned above are in addition to those which are applicable as per the Statutory Acts & Rules. In case of any imposed penalty by any statutory authority, the same shall be over and above the contractual clauses).

(3) Without prejudice to the right conferred for stoppage of work for violation of safety rules, the contractor shall be liable for penalty at the rates indicated above depending upon the category of violation.

(4) Operating authority will assess the penalty amount having regard to all the circumstances in particular in nature and gravity of the violation on the advice of Head of the Safety Engineering Department and will issue a show cause notice specifying therein the proposed penalty. Considering the cause shown by the contractor, if any, the operating authority shall pass final orders which shall then be binding on the contractor. The penalty amount shall be recoverable from any bill and / or EMD / Security Deposit of the contractor without any further reference to him.

h) "The contractor shall ensure that the Welders and Gas Cutters wear cotton dress and leather apron. They shall not wear nylon/synthetic dress. This is required to avoid any fire accident. This must be followed strictly".

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**19. SHUTDOWNS:**

- A) Necessary shutdowns will be arranged by VSP to the contractor for carrying out the work based on requirement. No claims on account of delayed/prolonged shutdown will be entertained.
- B) The works assigned to the contractor by the Engineer from time to time shall be completed within the time schedule fixed by the Engineer in each case, within the approved shut down period.

**20. LABOUR DEPLOYMENT:**

- A. The contractor shall deploy his labour as per requirement and as instructed by the Engineer. It may be necessary to carryout the work round the clock based on requirement and shutdown provided. The contractor's rate shall cover such eventualities.
  - B. Only trained, experienced, safety inducted workers acceptable to the Engineer shall be engaged on this work, work shall be executed as per specifications to the satisfaction of the Engineer.
  - C. **As and when need arises in the Annual works from time to time either for extra requirement of work or as a replacement in running contracts or a contract commencing for the first time, the contractor shall ensure that Displaced Persons (DPs) are engaged in unskilled category of workers to the extent of 50% (fifty percent). The contractor shall contact the Engineer-in-charge for this purpose.**
  - D. The Contractor shall engage contract workers(s) who do not have any adverse record with respect to his character in the past. For this purpose, the character and antecedents of the proposed worker(s) whom the Contractor intended to engage, shall be got verified by the Police and report shall be submitted. Till such time the report is submitted, the proposed contract worker(s) will be given only provisional pass and the pass will be cancelled in case any adverse report is reported.
21. **SECURITY REGULATIONS:** The contractor shall abide by and also observe all security regulations promulgated from time to time by the employer.
22. **STORING/STACKING OF MATERIALS:** Storing/Stacking/Placing of materials shall be only at the places designated by the engineer.
23. The contractor, his supervisors and workmen shall observe entry and exit timings strictly.
24. After completion of work activity, the site has to be cleared of all debris, construction material and the like.
25. The successful tenderer shall start the work immediately after obtaining gate passes and safety induction training and clearance from the Employer.
26. **NOTICES:** Any notice to be given to the contractor under terms of the contract shall be considered duly served, if the same has been delivered to, left for or posted by registered post to the contractors principal place of business (or in the event of the contractor being a company, its registered office), at the site or to their last known address.
27. **DEFAULT BY TENDERERS:** The successful tenderer may be debarred at the discretion of the company, from issue of further tender documents, work orders etc., for a specified period to be decided by the employer in case of :  
 "Undue delay in starting and execution of work awarded, poor performance, backing out from the tender, non accepting work order/LOI during the validity of tender or non observance of safety rules and regulations, misappropriation of company's materials/property, non payment of due wages to labour or such similar defaults".
28. Successful tenderer should be in a position to produce the Original Certificate in support of the attested copies of relevant documents enclosed along with pre-qualification documents or afterwards, after opening of the Price Bids.
29. Failure to produce the original certificates at this stage in support of the attested copies of PF Registration/ITCC/Electrical License/Experience/Qualification any other documents etc., submitted earlier would result in disqualification and forfeiture of EMD and also liable for debarring from participation in VSP tenders.
30. If it comes to the notice of VSP at any stage right from request for registration/tender document that any of the certificates/documents submitted by applicant for registration or by bidders are found to be false/fake/doctored, the party will be **debarred from participation in all VSP tenders for a period of 05 (FIVE) YEARS including termination of Contract**, if awarded. EMD / Security Deposit etc., if any, will be forfeited. The Contracting Agency in such cases shall make good to VSP any loss or damage resulting from such termination. Contracts in operation any where in VSP will also be terminated with attendant fall outs like forfeiture of E.M.D. / Security Deposit, if any, and recovery of risk and cost charges etc. Decision of V.S.P. Management will be final and binding.
31. Failure to execute the work after LOA/WORK ORDER is given, will make the party liable for debarring for a **period of 2 (TWO) YEARS.**

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32. In case it is found before/after award of work to the person/agency through Limited Tender Enquiry (LTE) that the same person/agency is proprietor/proprietress/partner of two or more separate agencies and quoted for the same work, then punitive action to the extent of debarring up to 02 (Two) years from participating in VSP tenders will be taken.
33. In case the Tenderers revoke/withdraw/cancel their tender or they vary any terms of their tender during the validity period of the tender without the written consent of Visakhapatnam Steel Plant (VSP) or in the event of VSP accepting their tender and fail to deposit the required security money, execute the Agreement and fail to start the work within reasonable time (to be determined by the Engineer) after written acceptance of their tender – EMD submitted by them will be forfeited by VSP.
34. Contractor shall note that:
- Time for mobilization after issue of FAX Letter of Acceptance /Letter of Acceptance/ Work Order shall be:
    - 03 (Three) days for Capital Repairs
    - 15 days for Civil Works
    - 60 days for painting works of Structural Engineering Department
    - 07 (Seven) days for Annual Mechanical, Electrical and works of technological assistance/cleaning.
    - 10 days for other works
  - Re-starting the work after disruption shall be within 04 (Four) to 06 (Six) hours after the cause of disruption is removed as decided by the HOD.
  - Notice period for Contract Termination shall be - 03 (Three) hours in the event of breakdowns, 02 (Two) days in Capital Repairs and 10 days in other works.

***Failure to adhere to above stipulations may result in Termination of contract at risk & cost and will make the party liable for debarring for a period of 2 (Two) years.***

35. Agencies are required to submit Bank Guarantee for the value as decided by the Engineer as a Security while taking out Equipment/Components/materials of VSP to their workshop situated outside the VSP premises for carrying out repairs.
36. The following escalation formulae shall be used depending on requirement and the total %age escalation shall be restricted to 85% except in case of manday contracts.

(a) PRICE VARIATION DUE TO CHANGE IN LABOUR WAGES

$$V = \frac{L \times W \times (X - X_o)}{X_o}$$

Where:

- V= Escalation payable  
 L= Labour Content during billing period  
 W= Gross value of work done on the basis of contract rates for the period for which variation is applicable  
 X= Revised Weighted average of RINL/VSP approved rates (for Unskilled, Semi skilled and Skilled categories of Workers) based on the Minimum Wages notified by ALC (Central), Hyderabad, for the period under consideration for that contract as per present man-day's of different categories for the billing period.  
 X<sub>o</sub>= Existing (on the basis which tender estimate prepared) Weighted Average of VSP approved Rates (for Unskilled, Semi skilled and Skilled categories of Workers and which is based on the Minimum wages notified by Commissioner of Labour, Govt. of Andhra Pradesh, Hyderabad) for that contract as per present man-day's of different categories for the billing period.

The method of calculating X, X<sub>o</sub> & L:

$$\begin{aligned} X &= (a \cdot \text{USR} + b \cdot \text{SSR} + c \cdot \text{SKR}) / (a + b + c) \\ X_o &= (a \cdot \text{USR}_o + b \cdot \text{SSR}_o + c \cdot \text{SKR}_o) / (a + b + c) \\ L &= (a \cdot \text{USR}_o + b \cdot \text{SSR}_o + c \cdot \text{SKR}_o) / W \end{aligned}$$

Where

- a = Mandays present by USW during the billing period  
 b = Mandays present by SSW during the billing period  
 c = Mandays present by SKW during the billing period  
 USR = Revised VSP approved rate for USW at the time of billing  
 SSR = Revised VSP approved rate for SSW at the time of billing  
 SKR = Revised VSP approved rate for SKW at the time of billing  
 USR<sub>o</sub> = VSP approved Rate for USW based on which the Estimate of work was prepared  
 SSR<sub>o</sub> = VSP approved Rate for SSW based on which the Estimate of work was prepared

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SKRo = VSP approved Rate for SKW based on which the Estimate of work was prepared

(The above escalation shall be independent of the award percentage whether +ve or -ve)

(b) PRICE VARIATION DUE TO CHANGE IN POL PRICES ( not applicable)

Price variation due to change in POL prices shall be applicable as per formula given below:

$$V = \frac{P \times W \times (R - R_o)}{R_o}$$

Where:

- V = Escalation or de-escalation payable or deductible  
P = POL Content during billing period  
W = Gross value of work done at the Contract Rates for the period for which variation is applicable  
R = Revised rate of High Speed Diesel Oil per litre as fixed by IOC applicable for the area of site of work for the period under considerations.  
R<sub>o</sub> = Rate of High Speed Diesel Oil per litre as fixed by IOC applicable for the area of site of work on the base date (ie., the date of opening of Envelope-I containing Pre Qualification Criteria, EMD etc.,)

CLARIFICATION:

- i) In case of revision of rates of High Speed Diesel Oil with effect from any date in a month, say November, 2005, the work done with effect from the first day of subsequent month (i.e., 1<sup>st</sup> December, 2005) only will qualify for price variation as per the above formula.  
ii) In case of more than one revision in the rate of High Speed Diesel Oil, in a month, the latest revision in the rates shall be considered for payment of escalation.

(c) PRICE VARIATION DUE TO CHANGE IN PRICE OF MATERIALS ( not applicable)

Price variation due to change in price of Materials shall be applicable as per formula given below:

$$V = \frac{M \times W \times (X - X_o)}{X_o}$$

Where:

- V = Escalation or de-escalation payable or deductible  
M = Material content during billing period  
W = Gross value of work done at the Contract Rates for the period for which variation is applicable  
X = RBI Index No. of all commodity whole-sale price Index (Average of month) for the period under consideration.  
X<sub>o</sub> = RBI Index No. of all commodity whole-sale price Index as on the base date (i.e., the date of opening of Envelope-I containing Pre Qualification Criteria, EMD etc.,)

CLARIFICATION:

In case of revision of rates of materials with effect from any date in a month, say November, 2005, the work done with effect from the first day of subsequent month (i.e., 1<sup>st</sup> December, 2005) only will qualify for price variation as per the above formula.

- (d) Composite/Total Escalation = Sum of %age contents towards Labour, Material, POL & Bitumen Escalation wherever applicable shall be restricted to 85% except in case of manday contracts

37. **PAYMENT OF MINIMUM WAGES:** Wages paid to the workmen by the contractor should not be less than the rates notified by the Regional Labour Commissioner (Central), Hyderabad, from time to time with regard to the minimum wages applicable to the respective categories of workmen **plus the ad-hoc amount at the rate of Rs.11.54ps as per working day per workman per category.** Wages with ad-hoc amount to the workmen should be paid on or before the 7<sup>th</sup> of the subsequent month. If 7<sup>th</sup> falls on a holiday or weekly off day, the payment should be made one day prior to that. Payment of PF for the month, both the employer's (in this case contractor) and employee's (in this case workmen employed by the contractor) contributions should be deposited in the bank

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in the permanent PF code number and challan obtained before the 15<sup>th</sup> of the subsequent month and forwarded to the Engineer". In case of failure of the contractor to comply with any of the above, the following action will be taken by VSP.

LAPSE	ACTION BY VSP
1. a) Payment of wages at rates less than those notified under the minimum wages.	a) An amount equivalent to the differential amount between wages to be paid under minimum wages notification of the Govt. applicable for the period less actual wages paid shall be recovered from the bills as certified by the Engineer.
b) Non-payment of ad-hoc amount	b) As amount equivalent to actual payable towards ad-hoc amount to the workmen engaged for relevant period shall be recovered from the bills as certified by the Engineer.
2. Non payment of wages	An amount equivalent to wages payable by the contractor applicable for the relevant period shall be recovered from the bills as certified by the Engineer.
3. Non Payment of PF	Recovery of PF amount and an amount equivalent to maximum penalty leviable by Regional Provident Fund Commissioner for the delayed period under the provisions of EPF & MP Act and Rules for delayed remittance of PF contributions (both the employee's and employer's contribution), shall be recovered from the bills of contractor as certified by Engineer.
4. Delayed Payment of PF	An amount equivalent to maximum penalty leviable by Regional provident Fund Commissioner for the delayed period under the provisions of EPF & MP Act and rules for delayed remittance of PF contributions (both the employee's and employer's contribution), shall be recovered from the bills of the contractor as certified by Engineer.

38. The contract period can be extended at the discretion of V.S.P. up to 04 (Four) months at the existing Rates, Terms and conditions and the Contractor shall be bound to execute the work accordingly and the offer of the Contractor is deemed to include this aspect.
39. The tenderers shall note that in case of quoting above the Estimated Value of V.S.P. the L-1 party shall furnish logical / satisfactory explanation which V.S.P. may seek if felt necessary for quoting such high rates. If the explanation offered by the L-1 party is not acceptable to V.S.P., the L-1 party may be recommended for disqualification while retendering the work.
40. The contractor should clearly understand and comply with the Factories Act 1948 and relieve the FEMALE WORKERS from their work site within the restricted working hours prescribed therein under section 66(b).
41. The following deductions per workman deployed category-wise shall be made from the bills/amounts due to the contractor as applicable for the work done and such deducted amounts shall be released as mentioned below:

S.No	Component	Recovery amount per labour per every WORKING DAY (in Rs.)			To be released when
		UN-SKILLED	SEMI-SKILLED	SKILLED	
01	Notice pay	Rs.23.68 ps	Rs.26.77ps	Rs.31.49ps	After the Contractor makes payment to the workmen in the presence of <b>Engineer I/C and CLC representatives</b> , a certificate to this effect is to be enclosed with pre-final bill. ( <i>to be paid with pre-final bill</i> )
02	Retrenchment compensation	Rs. 11.84ps	Rs.13.39ps	Rs.15.75ps	
03	Leave with wages	Rs.14.57ps	Rs.16.48ps	Rs.19.38ps	
	<b>Sub-total</b>	<b>Rs.50.09ps</b>	<b>Rs.56.64ps</b>	<b>Rs.66.62ps</b>	
04	<b>Bonus</b>	<b>Rs.11.55ps</b>	<b>Rs.11.55ps</b>	<b>Rs.11.55ps</b>	After the Contractor makes payment to the workmen in the presence of <b>Engineer I/C and CLC representatives</b> , a certificate to this effect is to be enclosed with RA bill / pre-final bill. ( <i>to be paid with RA bill / pre-final bill as and when paid by the Contractor</i> )
	<b>Grand total</b>	<b>Rs.61.64ps</b>	<b>Rs.68.19ps</b>	<b>Rs.78.17ps</b>	

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<i>10% towards profit and overheads of Contractor</i>	<b>Rs.06.16ps</b>	<b>Rs.06.82ps</b>	<b>Rs.07.82ps</b>	
<i>Total recovery amount</i>	<b>Rs.67.80ps</b>	<b>Rs.75.01ps</b>	<b>Rs.85.99ps</b>	

**Note:**

- i) The above recovery rates are effective from 01/10/2014. In case of any statutory revision in minimum wages payable to contract workmen as notified by the Regional Labour Commissioner (Central), Hyderabad from time to time, the above recovery amounts for workmen category-wise will be revised by RINL/VSP and will be notified accordingly.
- ii) Payment against the above component is to be made to the workmen based on effective wages of last drawn pay.

**42. PAYMENT MODE FOR BILL AMOUNTS:**

42.1 Following are the options available to the Contractors for availing e-payments.

42.1.1 **EFT System:** Under this saystem Banks offer their customers money Transfer service from account of any bank branch to any other Bank Branch. The EFT system presently covers all the branches of about 77 banks located at 15 centers indicated below, where clearing houses are managed by RBI i.e.,

i) New Delhi ii) Chandigarh iii) Kanpur iv) Jaipur v) Ahmedabad vi) Mumbai vii) Nagpur viii) Hyderabad ix) Bangalore x) Chennai xi) Trivendrum xii) Kolkata xiii) Bhubaneswar xiv) Guwahati xv) Patna.

42.1.2 **Direct Credit:** Suppliers opting for this system may open Bank accounts with any one of the following banks.

- |      |                         |   |                             |
|------|-------------------------|---|-----------------------------|
| i)   | State Bank of India     | - | Steel Plant Branch          |
| ii)  | Canara Bank             | - | Steel Plant Branch          |
| iii) | Bank of Baroda          | - | Steel Plant Branch          |
| iv)  | State Bank of Hyderabad | - | Steel Plant Township Branch |
| v)   | Andhra Bank             | - | Steel Plant Township Branch |
| vi)  | UCO Bank                | - | Steel Plant Township Branch |
| vii) | IDBI                    | - | Visakhapatnam Branch        |

42.2 The Successful tenderer shall agree that all the payment due and payable in terms of the contract will be paid direct to his bank account and he shall give the bank account number and the address of the Bank in which the money is to be deposited" as per the format given below:

- (1) Party Code :
- (2) Option : RTGS / EFT
- (3) Beneficiary Details
- a) Name of Beneficiary (Max.35 characters) :
- b) Bank Name (Max. 35 characters) :
- c) Branch Name (Max. 35 characters) :
- d) Account Number (Max. 35 characters) :
- e) Account type (Max. 35 characters):  
(Savings / Current / Overdraft) [Mention Code No. also]
- f) Beneficiary Bank's IFSC Code (Max. 11 characters):  
(For RTGS Mode only)
- g) Beneficiary Bank's MICR Code (Max.09 characters):  
(For EFT Mode only)

(Signature of the Party / Contractor)

Signature of Tenderer

Name:

Desgn:

**CERTIFICATE**

Certified that the above particulars are found to be correct and matching with our records in respect of the above beneficiary.

Sd/-.....

(Signature of Branch Manager)

Name :

Seal of Bank :

- 42.3 The contractor has to submit their bank account details in VSP format duly certified by Concerned Bank Manager for the purpose of making electronic payment before submission of First Running Account Bill, failing which the bill will not be processed.
- 42.4. The Successful tenderer is required to give an undertaking to the Finance Department of VSP that the payment made by RINL/ VSP of any sum due to him by directly remitting the same in his bank, the address and the number of which is to be furnished, shall be in full discharge of the particular bill raised by him, and that he shall not have any claim in respect of the same".
- 42.5 *In respect of payment made through Electronic Fund Transfer mechanism or Direct Credit to the supplier's/contractor's bank account, the supplier/contractor/receiver should intimate discrepancies, if any, within 10 days from the date of dispatch of intimation letter of payment to them to Finance Department of VSP failing which it shall be presumed that the funds have reached to their bank account and that no claims will be entertained after the said 10 days.*
- 43.0 The Contractor shall abide by the following Environment, Safety and Health policy of VSP:
- The Contractor must adhere to all the applicable statutory laws pertaining to safety, health and environment.
  - The Contractor must ensure that there is no wastage of water at the work site. The Contractor must also ensure that all the water tapping points are leak proof.
  - All the motor vehicles of the Contractor used for transporting materials/ machinery etc. should have pollution control certificates and the same should be submitted at the time of obtaining gate passes. A copy of the same must be exhibited/ pasted on the vehicle also.
  - The Contractor must ensure dust suppression measures in the work areas by sprinkling of water etc. and also ensure that all his workers use dust masks while working in dusty areas.
  - The Contractor must ensure proper housekeeping at site by keeping the work areas free from unwanted material, grease and oil to avoid slips & falls.
  - The Contractor must ensure that all the debris generated during the work is transported safely to dump yard such that there is no spillage of debris on the road during transportation (by covering with a plastic sheet/tarpaulin)
  - All the garbage collected from dust bins etc. should be transported in covered vehicles.
  - h. All the material which may be recycled/ reused should be transported to the designated place for reuse/ recycling.***
  - All the cut jungle growth and trees should be disposed at the dumping yard without open air burning.
  - Heating/ melting of bitumen must be done in boilers only. Heating/ melting of bitumen in open drums/containers is prohibited.
  - The Contractor must ensure that there is no spillage of oil or paints on the floor / ground etc.
  - All representatives/supervisors/workers of contractors must take safety and environmental induction training and comply with the instructions given there in.

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Signature of Tenderer