

**A
MANUAL OF INSTRUCTIONS
ON
FOREST WORKS**

(FOR DEPARTMENTAL USE ONLY)



Issued by
Principal Chief Conservator of Forests
Andhra Pradesh, Hyderabad.

PROLOGUE

With the introduction of Joint Forest Management in 1992, which has since graduated to Community Forest Management and of Neeru Meeru in 2000, there has been tremendous increase in the work load of staff of Forest Department at all levels in both field and offices. Consequently the staff of Forest Department is subjected to great stress in both office and field works. The systems, procedures and delegations that existed in the Forest Department have become outdated and a need was felt for review and revision of the same.

In G.O. Ms. NO.76 EFS&T (For.III).Department 22-2-2002, Government constituted a committee to make an indepth study of existing procedures and work load and to suggest suitable ways and means for effective and efficient implementation of programmes of work by suitable redistribution of the work load. The Committee so constituted made certain recommendations for enhanced financial powers to forest officers at various levels and certain changes in the procedure of execution works and maintenances of records.

The PCCF after holding detailed discussions with departmental officials and Service Associations made his recommendations to the Government for enhancement of delegation of financial powers and introduction of certain changes in the procedure of execution of works. Accordingly Government in G.O Ms. No.2 EFS&T (For.III) Department 7-1-2004. issued orders delegating certain enhanced financial powers and introducing certain procedures followed in P.W. Department in execution of works through tenders, nominating at estimated rates etc., in addition to detailed procedure regarding works of Community Forest Management to be implemented through the institution of Vana Samrakshana Samithies (VSSs). Separate instructions have been issued with regard to VSS works. The present manual is with reference to other works that will not be implemented through VSSs.

This manual contains a set of guidelines to the forest departmental officers in matters relating to preparation of tender conditions, procedure for tender invitation, conclusion of agreement, forms of agreements, collection of EMDs and entrustment of works on nomination for both forestry and non forestry works including purchase of stores and equipment. The officers are at liberty to adopt methods of executing works as given in Article 163 of Andhra Pradesh Financial Code and Section 95 of the Andhra Pradesh Forest Department Code Volume-I and GOMS. No.2 E.F.S &T (Forest-III) Department dated 07-1-2004. In case the procedure suggested here is in contradiction with any codal procedures the latter shall prevail.

Hyderabad

10-05-2004.
Forests.

Sd/- S.K. Das.,

Principal Chief Conservator of

1. Preparation of Estimates

1.1 Care to be taken:

The estimates are to be prepared after careful study of the conditions in order to make adequate provisions to suit the site conditions. Estimates prepared without proper investigation lead to (a) underestimation/over estimation of quantities, (b) non-availability of materials like sand, stone etc., near the site even though it is said to be available as per investigation report, (c) undue revision of estimates requiring allocation/ allotment in excess of budgeted/sanctioned amounts and (d) delay in execution of works.

Before according technical sanction by the competent authority, it should be ensured that provisions are made for all the items necessary for the completion of work and data and rates are prepared and worked out correctly. Here, for working out the rates of materials that go into a work, lead statement plays a prominent role. While the basic cost of the materials is available in the Engineering common SSRs/FSRs, the source of material i.e; the quarries from which the construction materials like sand, cement, stone, brick, steel etc., are to be transported should be correctly identified. The total cost of each unit of material required for the construction is to be exhibited in the data sheet after taking into account the basic cost, lead charges, seigniorage, cesses and deductions on account of stacking charges etc. Incorrect preparation of data leads to incorrect unit rate. Any excess provision results in avoidable extra expenditure and adverse comments from audit. It is therefore necessary that lead statements, datasheets and details of the estimate are certified by the officers who initially prepare the estimates. This should be certified/ counter signed by an officer not below the rank of F.R.O. This should however be countersigned by the Sub DFO if the estimate is to be sanctioned by the DFO. The Sub DFO and DFO will countersign if the estimate is to be sanctioned by the

Conservator of Forests. The Sub DFO, DFO and Conservator of Forests will have to countersign if the estimate is to be sanctioned by the Prl. Chief Conservator of Forests. The countersigning officers shall be responsible for the overall correctness of all the details of estimates along with the Forest Range Officer.

1.2 Powers for sanction of estimates:

The following powers are delegated to various Forest Officers for sanction of estimates.

P.C.C.F.	No limit (limit is the amount of administrative approval)
C.F.	Rs 20 lakh
D.F.O.	Rs 10 lakh
Sub D.F.O.	Rs 1 lakh
F.R.O.	RS 0.50 lakh

2. Method of Execution of Works

The works in the Forest Department can be executed by one or other of the following methods

- (i). The Departmental method.
- (ii). The Piece work Contract method.
- (iii). The lump sum contract method.
- (iv). The schedule contract method.
- (v). Nomination method.
- (vi). Tender system.

For this purpose if the value of work put to tender exceeds Rs.1.00 Lakh it is called major work. If it is less than Rs.1.00Lakh it is called minor work.

2.1 The departmental method:-

The Department itself engages the necessary daily labour and purchases or supplies the necessary material. Here, there is no role for petty contractor/contractors. (Art.163 A.P.F.C. Vol. I and section 95 of APFD Code Vol. I)

2.2. The Piece work contract method:

The piece worker agrees to execute a specified work or part of a work at specified rates without reference to quantity or the time taken, and the department arranges for the supervision, setting out and measuring of all the work done. (Art.163 APFD Vol. I and section 95 of APFD Code Vol-I).

The piece work contract method is generally to be followed when the value of work is not more than Rs.1.00Lakh. Further, the piece work contract does not make it mandatory for the contractor to complete the work within a specified time frame and it does not provide for compulsory execution of specified quantity of work. All that, it provides, is execution of work at a prescribed unit rates of work without reference to total quantity or time. For failure of the contractor to execute the work, in this method the penalty leviable can only be forfeiture of E.M.D/F.S.D. and payment not made if any for the work executed already. In such cases, the value of the balance work is to be recast with reference to the latest S.S.Rs /F.S.Rs applicable and another agency is to be fixed after calling for tenders/or on nomination depending upon the circumstances. The additional expenditure if any incurred by the Department shall be to the account of the Department only.

2.3 The Lump-Sum Contract method:

The contractor agrees to execute a complete work in accordance with the specifications for a lumpsum payment. This method should be adopted except when one of the other methods is considered more advantageous. (Art.163 APFD Code Vol.I). This system should be followed when value of work is more than Rs.1.00Lakh (Major works). Lump sum contract method is adopted for works for the completion of which, time is the essence of the contract. The contractor is responsible for executing the quantities that were given in the tender schedules and such other excess over the scheduled quantities as are mutually agreed upon in the agreement conditions and at the unit rates agreed upon. If the contractor fails to execute the works in accordance with the conditions of the contract for the reasons wholly attributable to him, suitable fines can be imposed for slow progress of

work and if the contractor abandons the work, his contract will be determined at his risk and expense. Such determination of the contract not only entails forfeiture of E.M.Ds. and F.S.Ds along with value of work already done but not paid for, but also recovery of extra cost if any incurred by the Government for completion of the balance work. However, if any savings are accrued such savings go to the account of the Government only. As forest works are time bound irrespective of minor/major work, L.S. contracts are desirable to be concluded .

2.4 The schedule contract method:

The contractor agrees to execute one or more of the items included in a work at fixed rates and the amount to be paid to him depends on the quantity and kind of work done or materials supplied. This is in use mainly in Forest Department, for works costing not more than Rs. 5,000/- at a time(Art.163 FPFC. Vol-I and see. 95 of A.P.F.D. Code Vol-I).

2.5 Nomination method:

Major work or Minor work can be entrusted on nomination provided the conditions attached to such entrustment of works on nomination are satisfied.

2.5.1 Nomination of contractors for minor works:

Tenders should normally be called for when the amount involved in a particular contract is Rs 5,000/- or more. If it is proposed, in any case, that the works are to be taken up urgently and / or it is felt that there will not be attractive tenders, works may be entrusted on nomination at rates not exceeding estimated rates by the FRO/Sub. DFO / D.F.O. after obtaining prior approval of Conservator of Forests. This nomination system should generally be for works costing not more than Rs. 1.00 Lakh. Up to this amount, it is not necessary to call for the tenders even though, the value of the contract is more than Rs. 5,000/- if the other conditions of urgency etc., are satisfied. (Note 1 below para154 of AP.W.D. Code). Prior approval of the C.F. should be obtained in all such cases. For reasons Justified, post facto approval can be taken.

2.5.2 Nomination of contractors for major works under section 95(5)A.P.F.D.CodeVol I :-when tenders have been called

for a work, and there is no response or the tenders received are unsatisfactory and have to be rejected and it is considered that calling for tenders again will be fruitless, or undesirable, Divisional Forest Officer who is competent to accept the tenders may allot the work to a contractor selected by him with the sanction of the concerned Conservator of Forests at rates not exceeding the estimate.

2.5.3 Delegation for entrustment of works on nomination:

The reasons for entrustment of nomination should carefully be recorded in writing before awarding the works on nomination. (Also see note IV below para 154 of A.P.W.D. Code). If the Prl.Chief Conservator of Forests himself is entrusting the work on nomination, he should obtain prior approval of the Administrative Department in Government. In exceptional cases, the CF and PCCF can accord post facto approvals. In case of extreme urgency like natural calamities, visits of VVIP's Security etc., to be decided by the Conservator of Forests for nomination of works. The limits specified are as under:

Category of Officer	Delegation for nomination	Prior approval needed from
FSO (Forester/Dy. RO)	Rs. 25,000/-	Conservator of Forests
FRO	Rs. 50,000/-	
Sub DFO	Rs. 1,00,000/-	
DFO	Rs. 3,00,000	
Conservator of Forests	Rs. 5,00,000	Prl. Chief Conservator of Forests
Prl. Chief Conservator of Forests	Rs. 10,00,000	Government of Andhra Pradesh

Agreement for nomination works can be concluded either in the form of piece work agreement or in the form of lump sum contract agreement depending on classification of work as either minor (or) major. The piece work contract can be adopted for constructions costing upto Rs.1.00 lakh and for transport contract upto Rs.5.00 lakh. The reasons entrustment of work on nomination should be carefully recorded in writing before awarding the works on

nomination. The officers concerned shall maintain a register of contractors at Section / Range / Sub Division / Division / Circle level and nominations shall be out of this list only. Upon nomination and before commencement of work agreement will have to be concluded by the respective officers with the respective contractors as detailed in annexures appended.

2.6 Tender system:

2.6.1 Procedure for call of Tenders: Tender notice or Notice Inviting Tender (NIT) will be approved by the officers for the works for which they are competent to accord technical sanction. The Tender document will be prepared by the concerned officers bringing greater transparency indicating the provisions made in the estimates for items which are reimbursable to the contractor with conditions therefor.

2.6.2 Tender invitation & finalization:

2.6.2.1 For Major works upto Rs. 50.00 lakh the tender notice shall be published in District Edition of two daily Telugu papers of largest circulation. For the works costing more than Rs. 50.00 lakh, the tender notice shall be published in one Telugu Daily and one English Daily having largest circulation at the state level. The Tender schedule should contain not only quantities but also the rates worked out by the department and the amount for each item and the total value of the contract. The Tenderer will not be required to quote item-wise. He should indicate his willingness to do the work, either at the estimated value of the work or at a percentage less than the estimated value of the work. Authority should always be reserved to reject any or all the tenders so received without the assignment of a reason and this should be expressly stated in the advertisement.

2.6.2.2 Publicity to the tenders:

(a) Copies of tender notices may be sent to all the divisions in that as well as neighbouring circles for being exhibited promptly on their notice board.

(b) Copies of Tender Notice may be sent to all the registered contractors of the above mentioned divisions/ circle

(c) For all works costing Rs.1.00 Lakh and above only wide publicity be given through daily news papers.

(d) Copies of tender notice and paper cutting should be recorded with tender documents.

(e) The tender notices should be sent only to the particular class of registered contractors as specified in the Tender Notice depending upon the value of the work.

2.6.2.3 Prevention of collusion of Contractors: Tender schedules shall be issued till a date prior to the last date of submission of tenders. Once a contractor buys a tender schedule, he is not permitted to return the schedule without quoting for the work. After buying a tender schedule if a contractor does not tender for the work, his E.M.D shall be forfeited.

2.6.2.4 Receipt of Tenders: The Tenders shall be received at the place and time as specified in the Tender notice. The contractor can submit the tender either personally/ through his agent or by post. In case of submission of tender documents by post the delay in receipt of tender is to the account of the tenderer only. Any tender received after the expiry of date and time for its receipt will not be considered by the tender opening authority. Tenders will be finalized by the respective officers for the works costing upto their powers to accord technical sanctions. The time allowed for submission of tenders from the date of publication of tender notice to the date of receipt of tenders is 14 days for the first call and 7 days for the second call. A Format of the Tender notice, format of tender and notice to tenderer whose tender is under consideration, articles of Agreement are given in Annexure both for lump sum and piece work contracts.

A Register of Tender schedules sold and Register of Tenders received should also be maintained. The format of these registers are in Annexure I & II. The tenders should be opened in the presence of the tenderers or their authorized representatives, and other officials concerned on the specified dates and time and

the result should be recorded then and there only. The signatures of the tenderers or their authorized representatives and other officials concerned who were present at the time of opening of tenders should be obtained in this Register. The action taken on the tenders should also be recorded in the register.

Unsealed tenders should summarily be rejected. Tender shall be valid for a period of 1 to 3 months as the case may be. Before the expiry of the validity, the authority competent to call for the tenders shall seek for further extension of validity from the contractor. In case, validity is not extended, his tender will not be considered and the E.M.D shall be returned. During the period of validity, if any tenderer with-draws his tender, his E.M.D shall be forfeited.

2.6.2.5 Cost of Tender schedules: The cost of tender schedules should be fixed depending upon the number of pages, nature of print and cost of paper etc., and expenditure incurred. The sale proceeds of tender schedule should be remitted to the receipt head of Forest Department "8782 Cash remittances and adjustments between officers rendering accounts to the same Accountant General-103-Forest Remittances -(iii) other remittances. Cost of Tender schedule". The Cost of tender schedules is not refundable.

2.6.2.6 Tender Premium: For all works the ceiling of Tender premium is 15%. Even after repeated calls, if the tender premium is more than 15%, the work can be awarded on nomination to a contractor selected from the list of contractors maintained by the department.

2.6.2.7 Discount Tenders: Tender upto 15% less than the estimate rate can be accepted. In such cases, the tenderers should be asked to produce a bank guarantee for the amount equivalent to the less % quoted as compared to the estimate value of the work put to tender

2.6.2.8 Comparison of tenders: In most of the cases, the tenders are called for based on sanctioned estimates. But after receiving the tenders, the rates in the sanctioned estimates should not be stated to be unworkable and the tenders compared with modified higher rates based on some data on the plea that the modified higher rates are workable ones. Tenders are invariably to be compared and accepted with reference to the rates in the sanctioned estimates only. If the rates in the sanctioned estimate are found unworkable with reference to the current S.S.R./F.S.R. due to the lapse of time or wrong data etc, the proper course would be either to submit revised estimate adopting current

schedule of rates before the tender call is made for approval of the competent authority or to submit the tender along with the data to competent authority justifying higher rates. The powers of accepting tenders up to the permissible limits above the rates in the sanctioned estimates should be used cautiously and only after making sure that the acceptance of such tender is unavoidable.

2.6.2.9 Acceptance of Tenders: No tender should be accepted from any person directly or indirectly connected with Government Service. The Officer opening the tenders should invariably date and initial all the pages of tender document irrespective of whether they contain any correction, over-writing etc., If there are corrections in the tender unattested by the tenderer, a note of such correction should be made on the tender itself when it is opened. The officer opening the tenders should keep a personal note of the total number of tenders opened by him and verify therewith the number in the comparative statement of tenders. Other things being equal, normally the lowest tender should be accepted. In selecting the tender the financial status of the tenderer, his capability, the security offered by him or the record of his execution of any works previously should be taken into consideration (para.156 of A.P.W.D. Code). In cases where a tender other than the lowest is accepted, a confidential record should be kept of the reasons for doing so, relative merits of various bidders concerned should be discussed and cogent reasons to be given for rejection of the lowest tender. This confidential record should be produced to audit if required by audit.

The acceptance of the tender other than the lowest should be reported to the next higher authority with due justification. The next higher authority shall scrutinize the report carefully and call for more details if necessary. The acceptance or rejection of tenders is however left entirely to the discretion of the officer to whom the duty is entrusted and no tenderer can demand the cause of rejection. Authority should always be reserved to reject any or all of the tenders so received without the assignment of a reason and this should be expressly stated in the advertisement.

2.6.2.10 Delegation of powers for entering into contracts:

Following are the powers delegated to different Forest Officers for entering into contracts and for acceptance of Tenders:

Forester/Dy. R.O.	Rs. 25,000
R.O.	Rs. 50,000
Sub.D.F.O	Rs. 1,00,000
D.F.O	Rs. 10,00,000
C.F.	Rs. 20,00,000

For works costing more than 20 lakh, the CF invites open tenders with the prior approval of PCCF and the result of such tenders will be submitted to PCCF for orders on the selection of Tenderer. The agreement for such work will be concluded by CF and after concluding the agreement, the tender documents including the tender notification, comparative statement and the agreement will be sent to the D.F.O for safe custody and execution of the work as per the sanctioned estimates, approved specifications and designs and relevant agreement conditions. The above delegation and procedures are applicable for procurement of stores also. However, the above delegation and procedures are not applicable to the works executed with the financial assistance of World Bank, if separate procedure is prescribed by World Bank. A register of agreements should be maintained by the officers entering into agreement.

2.6.2.11 Delegation of powers for acceptance of tenders:

D.F.O	5% Excess of the estimated value of the work put to tender
C.F	10% Excess of the estimated Value of the work put to tender
PCCF	15% Excess of the estimated value of the work put to tender

2.6.2.12 Contract Documents and Enforcement:- Before a work is given out on contract, the authority competent to accept the contract must prepare "Contract documents" to include.

- a. Complete set of drawings showing the general dimensions of the proposed civil work
- b. Specification of the sub items of the work to be done and of the material to be used.
- c. Schedule of quantities of the various descriptions of work (only for L.S. tenders)
- d. Set of condition of contractors to amplify as necessary, the preliminary and other specification of Andhra Pradesh Detailed Standard Specifications forming part of contracts based on L.S. tender system. (for piece work contracts, the conditions considered necessary for any particular case should be attached to the agreement. The terms of a contract must be precise and definite). No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority. Contract should whenever possible, be executed on one or other of the standard form but they may be modified to suit the requirements of a particular case, after consultation with the next higher authority. In cases where it is considered that none of the standard forms can be used even with suitable modifications, the contracts should be got prepared specially by Government Law Officers.
- e. D.F.Os and their subordinates are responsible to ensure the strict enforcement of the terms of contract. No act shall be done which tend to nullify or vitiate a contract.

3. Earnest Money Deposit (EMD) and Further Security Deposits (FSD)

3.1 EMD: As a rule, no tender for the execution of works of any description should be received unless accompanied by earnest money to the extent notified as necessary in the tender notice (Para 155 of APWD Code). The earnest money is the guarantee of the tender to deposit the requisite security and to enter into the required agreement on intimation of acceptance of his tender. It is forfeited in case of default. It can be paid either in the shape of crossed D.D. on any Nationalized Bank or through challan. It should be refunded after the payment of final bill to the contractor and the initial observation period as specified from the date of completion of works.

3.2 Collection of EMD. :

3.2.1 Major works: In order to discourage purchase of tender document of non-serious bidders, tender document shall be issued to the contractors on payment of EMD at 1% of the estimate contract value. Successful bidder will pay balance E.M.D of 1 ½ % contract value at the time of concluding the agreement.

3.2.2 Minor works:- For minor works out of EMD of 2.5 % of the value of work put to tender 1.5% of the value of work put to tender should accompany the application for purchase of tender schedules. The balance 1 % should be paid at the time of concluding the agreement .

3.3 Further Security Deposits (FSD) :- Further security deposits are the amounts withheld from the running account bills of the contractor to ensure due performance of the contract.

For the Minor works costing upto Rs. 50,000 no further security deposits shall be withheld. For the Minor works above Rs-50,000/- in value, F.S.Ds will be with-held at 3% of the value of work done from each running account bill.

In respect of woks entrusted on nomination and for major works E.M.D. should be collected at 2.5% of value of work. In

respect of major works the recovery of F.S.Ds will be @ 7.5% of the value of work done from the running account bills out of which 5% will be released in final bill while crediting 2.5% under deposits. The EMD & F.S.Ds of 2.5% shall be refunded to the contractor after payment of final bill and after defect liability period of six months in the case of original works and after one year for maintenance works, on the analogy of the procedure prescribed for P.W.D works in G.O.Ms .No 23 INCAD (P.W. Com) Dept dated 5.3.99.

4. Registration of Contractors

4.1 Norms and types: The norms and other details here are applicable only for Forest Department. The contractors registered will be called as Contractors of Forest Department of Government of Andhra Pradesh. Registration of the contractors will be done in the following categories.

- a. Civil Contractors
- b. Transport Contractors
- c. Forest Works Contractors

4.2 Categories of contractors: Registration of contractors in each category will be done in the following classes, separately under each one or more of the classes as they may desire.

- a. Class I
- b. Class II
- c. Class III

The contractor of special Class-I is eligible to take up the works through out the state. Contractors of Class-II & Class-III can tender for works only within the Circle where registration is done. The registrations should be done for the class of contracts etc. as mentioned in annexure-III. Class I contractor should own atleast one transport vehicle, which should be in his name as per the registration book. Transport comprises of conveyances of

construction materials such as cement, steel sand etc. The vehicle shall not be transferred on sale during the period of contract and the vehicle should be in good condition.

4.3 Procedure for Registration: Wide publicity should be given by the Officers registering contractors preferably by advertising in news papers having wide circulation calling for proposals for registration. The contractors shall submit an application in the proforma given in Annexure-IV(a) to the concerned authority. The authority competent to register the contractor in the concerned class will take action to verify the credentials and antecedents and issue suitable order registering the contractor. A draft form for issuing order of registration is given in annexure-IV (b). The following documents shall be submitted along with the application seeking registration as a contractor in a particular class or category.

- a. Application form in the Proforma with Rs 2/- Court fee stamp affixed there on. (Annexure –IV)
- b. Proof of payment of Registration fees
- c. Solvency Certificate valid for one year from the date of issue to be obtained from the officer of Revenue Department of the rank not below that of the Mandal Revenue Officer or from Nationalised Bank in the proformae (Annexure-V a &b). The certificate should be got renewed by competent authority for the period of registration
- d. A list of works executed by the contractor during the past five years duly certified by the concerned Departmental officer
- e. Latest I.T. & ST. Clearance Certificate:- The name of firms/individuals shall be registered and included in the approved list of contractors only if they produce the IT clearance Certificate.

4.4 Rules of Registration :

- a. Registration of contractor in any class once done shall be in force only for five (5) years in that particular class. The contractor shall register himself afresh every five (5) years thereafter . The registrations shall however be done only twice in a year i.e., January and June.
- b. While submitting the application for fresh registration in the same class or for registration in higher class, the contractor shall furnish the certificate of his performance issued by the Officer in charge of the works as detailed in Annexure. III,
- c. A contractor can register his name for more than one category

d. The contractor shall not apply for registration in his name and also in the name of partnership/company which runs in his name of the same class or category at a time

e. Contractors of other States shall get themselves registered in this State before offering their tender for works in this State.

f. The contractor already registered under a particular class can form partnership firms in the same class and category only by separate registration at the time of biennial registration as mentioned in clause (a) above

g. In the case of partnership/companies any changes in the partners shall be reported to the registering authorities immediately

h. The applicant is required to furnish the following certificate.

“Certified that I will employ qualified technical personnel with suitable complimentary staff to meet the requirements of the works as specified in the Tender documents.”

4.5 Demotion of Contractors: The registering authority may demote a contractor if he:

a. fails to execute contract or executes it unsatisfactorily or is proved to be responsible for constructional defects

b. has no longer adequate equipment, technical personnel or financial resources

c. violates any important conditions of contract

d. is responsible for any other matter which may justify his demotion to a lower class

e. is litigant by nature.

The fact of and the reasons for demotion shall be communicated (see Annexures V –A,B&C) and two weeks time shall be given to the contractors to offer his explanation before demoting him. Copies of the order together with a memorandum containing reasons for demotion should be forwarded to the Government through the CF/PCCF. In case of contractor registered for more than one category or work, the order regarding demotion would apply only to one category unless otherwise stated in orders.

4.6 Suspension of business: Suspension of business with a contractor may be ordered by the registering authority for any indefinite period pending full enquiry into the allegation, if the registering authority is prima facie of the view that the contractor is guilty of an offence in relation to the business dealings which if established would result in his removal, black listing and it is not

desirable to continue business with the contractor. The reasons for suspension of business shall be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If the explanation is not satisfactory, action may be initiated for suspension of business. Copies of the orders together with a memorandum containing reasons there of should be forwarded to the Government through the concerned C.F. and P.C.C.F.

Suspension of business with the contractor for a specific period may be ordered by the registering authority when the contractor is responsible for minor technical offence (s) or when he fails to furnish the Income Tax Clearance certificate. In such a case the fact of suspension should be communicated to the contractor giving reasons for the same. This action need not be reported to the Government.

4.7 Removal from Approved List: Registering authority may remove the name of the Contractor from approved list, if the contractor:

- a. Has on more than one occasion failed to execute a contract or has executed it unsatisfactorily (or)
- b. Fails to abide by the conditions of registration or
- c. is found to have given false particulars or information at the time of registration
- d. persistently violates any important condition(s) of the contract
- e. is proved to be responsible for work defects in a number of cases;
- f. Is declared or in the process of being declared bankrupt, insolvent, wound up dissolved or partitioned
- g. Persistently violates the labour regulations and rules
- h. The reasons for removal from the approved list shall be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If the explanation is not satisfactory, action may be taken to remove the contractor from the approved list. The EMD shall also be forfeited.

Copies of orders together with a memorandum containing reasons therefor should be forwarded by the registering authority to the Government through concerned C.F. and P.C.C.F.

In respect of contractors registered under more than one category of work orders regarding the removal should apply only to the particular category unless otherwise stated.

4.8. Blacklisting: Only the administrative department (EFS&T Department of Government of Andhra Pradesh) will black list the contractor. The head of the department (PCCF) may black list a contractor with the approval of the Government where:

- a. There are sufficient and strong reasons to believe that the contractor or his employee has been guilty of malpractice (s) such as irregular practices including formation of ring, bribery corruption and fraud including substitution and indulges in smuggling, pilfering or unauthorized use or disposals of Government materials issued for specific work.
- b. A Contractor continuously refuses to pay Government dues without showing adequate reasons.
- c. A contractor or his partner or his representative has been convicted by a court of law for offence involving moral turpitude in relation to business dealing (s).
- d. Security Consideration including doubtful loyalty to the State so warrant.

In all such cases the EMD shall also be forfeited.

Contractor should be given an opportunity of two weeks time for offering his explanation on the proposal to black list him before taking final decision. Copies of such orders together with the reasons for the action taken and also the names of the partners and the list of allied concerned coming within the effective influence of the blacklisted contractors should be forwarded to the Secretary of the concerned administrative department (EFS&T Department) who will in turn intimate the other Departments in the Government for ordering immediate cessation of all future business with the contractor. Decision for black listing of a contractor will be taken by the concerned administrative department and communicated to the PCCF giving reasons for blacklisting the contractor as also the names of all the partners of the contractor and allies concerned coming within the effective influence of the blacklisted contractors. Blacklisting orders would however be issued by the P.C.C.F. who shall intimate the reasons for blacklisting of the contractor concerned. Action for blacklisting a contractor should be taken only where it is established that the offence was committed in order to secure advantage to the contractor and not where the object may be secure advantage to any employee or representative of the contractor personally. The administrative department in the Government while examining any case of a blacklisting of a contractor may refer doubtful marginal cases for

advice to the Law Department wherever justified necessary. Once the blacklisting orders are issued they should ordinarily not be revoked unless on review the government is of the opinion that the punishment already undergone is adequate in the circumstances of the case and in respect of the same offence, the accused has been honorably acquitted by a court of law. PCCF shall be responsible for keeping up to date list of black listed contractors (Including those black listed at the instance of the Government) and circulate every quarter a list of additions and revocations during the previous quarter.

4.9 Restoration: Upgrading a demoted contractor revoking the suspension of business, restoring registration, withdrawal of blacklisting etc., may be considered at an appropriate time on the merits of each case by the authority who has passed the original orders. Copies of restoration orders should also be furnished to the concerned administrative department of the Government.

5. Measurement / Check Measurement / Test Check etc.

5.1 Delegation of powers: All works done other than using daily labour and all supplies relating to a work should be paid for on the basis of measurement recorded in a measurement book. The measurement book is the original record of actual measurement or count. All payments for work or supplies are based on quantities recorded in the 'M' book. Hence the Government servant who takes the measurement must take all possible care to record the measurement clearly and correctly. Check measurement is intended to detect errors and to prevent fraudulent entries. It should therefore be done with discretion and precision. The following powers are delegated for taking/recording measurement, conducting check measurements/test check

Officer measuring and recording the work in measurement book and the value of the work bill upto which measurement and recording the work can be made.	Designated officer to check measure	Percentage of check measurement .
F.B.O. upto work bills of value not exceeding Rs. 25,000/- at a time.	F.S.O.	100%
F.S.O: work bills exceeding Rs. 25,000/- at a time. .	F.R.O	100%

As a matter of rule the FRO should not record initial measurements except in the cases of emergency in territorial divisions. Functional F.R.O.s research, P&E GIS and T&E can record measurements directly if there are no FSO/FBOs under their control/jurisdiction. Check measurements should be done for 100 % of works and should be conducted with discretion, the items selected being those which are liable for mistakes or which are more susceptible for fraud or which would affect the total amount of the bill, if inaccurate. The check-measuring officer should invariably record his observations in the M. Book. The D.F.Os., should check measure all works costing Rs. 5.00 lakhs and above covering at least 30% of the value of the work done. The C.F. should check measure all works costing Rs. 10.00 lakhs and above twice, once during execution and the other before payment of final bill covering at least 30 % of value of work done. The FRO shall test check 25% of the work for which he did not do check measurement. The DFO and Sub-DFO shall test check 10% each (without overlap of works) of the works costing Rs. 1 lakh and above and CF 5% of the works costing Rs.2 lakh and above for which they are not check measuring officers. Similarly, for the purpose of test check the concerned officers as stated above should identify

corresponding number of works and select such of the works with items that are susceptible for mischief and fraud and record their observation in M.Book. A register of check measurements shall be maintained at Sub-Division, Division and Circle levels to record the details of works check measured and dates of check measurements. This should be produced to Accountant General and other Departmental inspecting Officers, agencies on demand. On the analogy of the practice existing in the PWD vide para 297 of A.P. Works Account code, all first and final bills costing upto Rs.500/- need not be check measured. Irrespective of the percentages of check measurements, the FSOs, F.R.O.s/ Sub. D.F.Os and the D.F.Os are responsible for the proper quality and quantity of the works and the payments, there for.

5.2 Responsibility for irregularities noticed in the Check Measurement/ Test Check etc.,: If the check measuring officer finds that the work recorded does not exist or is of poor quality or it does not agree with the measurements already recorded, he shall correct the measurements and signs the items he check measured. The officer who recorded the original measurements should be called upon to explain the deviations/deficiencies and action as per department CCA rules should be initiated. Payment will be limited to actuals only.

If during test check, a non-existent / substandard work was noticed to have been check measured, the officer who conducted check measurement shall be held responsible. If this irregularity has been noticed after payment for the non-existent / substandard work, the amount shall be recovered from the contractor or from the VSS. Suitable disciplinary action will also be initiated against the check measuring officer. If this irregularity is noticed before the payment is made, no claim lies for the defective/non-existent work. If

any irregularity is noticed by the Vigilance & Enforcement or other inspecting agencies including quality controlling staff, in the items of work that had already been test-checked, the officer who test checked the item of work shall be held responsible. Suitable disciplinary action will be taken in addition to action for recovery of the amount involved. If any irregularity is noticed in the items which have not been subjected to test check, the responsibility lies wholly on the officer who conducted the check measurement. The value of the work involved in such cases is recoverable either from the contractor or VSS. If for any reasons, the recovery could not be made from either, the amount is recoverable from the officer found responsible on the above lines.

5.3 Delegation powers on passing for payment of single bill:

The FRO and FSO/DRO are delegated with the following powers for making payment on account of work done or supplies made by the contractors/piece workers upto the following limits or any single bill.

F.R.O.	Rs.50000/-
Dy. R.O./F.S.O.	Rs.25000/-

5.4 Time limit for Test Check: Works should be test checked before the period beyond which it is difficult to accurately measure the works. Separate instructions in this regard will be issued.

5.5 Quality control:In all the divisions having Sub DFOs, the Sub DFOs shall act as quality control officers. For other divisions the respective Conservator of Forests will make necessary arrangements.

6. Purchase of Stores and Equipment

6.1 Purchase Orders:Purchase orders for the purchase of stores and equipment should be placed in the formats prescribed (see Annexure VIII-A,VIII-B and VIII-C). The following procedure should be followed for tenders for the purchase of stores/materials. Tender should be invited by advertisement (open tenders) or by

direct invitation to a limited number of firms (limited tender) or by invitation to one firm only (single tender or private purchase) as detailed below:

a. Limited tender system should be adopted whenever the estimated value of the order to be given is less than Rs. 10,000. Open tender system including publication in one or more of the principal newspapers published in India should be followed in case of purchases exceeding Rs. 1.00 Lakh. For purchase orders ranging from Rs 10,000/- to Rs. 1 Lakh, circular communication should be sent to manufacturers, reputed dealers /contractors & preference should be given to manufacturers.

b. For the purpose of limited tender system and single tender procedure, the purchasing officer should maintain a list of firms of known reliability which have satisfied him that they possess the necessary equipment and facilities for the supply of the stores which they offer to supply.

c. Single tender system may be adopted in the case of small order or when the articles required are of proprietary character and competition is not considered necessary.

d. Limited tender system may be adopted instead of the open tender system even when the estimated value of the order to be given is in excess of limits laid down for limited tender system, in the following cases.

a. When sufficient reasons exist in the public interest for not calling for tenders by advertisement reasons should be recorded and communicated to the Accountant General if necessary, confidentially and

b. When the demand is so urgent that any additional expenditure involved in the elimination of open competition must be incurred in order to avoid delay. Reasons should be recorded as to why the demand could not be anticipated.

6.2 Security to be taken from the Contractors .:- When ever a private person/firm makes a contract with the Government he or it should be required to give security for the due fulfillment of the contract to an amount equivalent to 10% of the value of the total contract. However the Head of the Department may, when he thinks it desirable, exempt a firm of established repute from the obligation to furnish security in respect of all contracts/ a particular contract or class of contracts, made with his Department.

ANNEXURES

Annexure - I

Register of Tender Schedules Sold (*Para-2.6.2.4*)

Circle :

Division :

Year :

Range :

S . N o	Tender Notice No.	Name of the work	Name & address to whom Tender Schedules Sold	Cost of Tender Schedules	Date of remittance to Government Treasury	Amount of EM.D. Collected	Remarks
1	2	3	4	5	6	7	8

Annexure – II

Register of Tenders Received (*Para-2.6.2.4*)

Circle :

Division :

Year :

Range :

S . N o	Tender Notice No.	Name of the work	Estimate No. & amount	Value of work put to tender	Name of the Tenderer	Value of the tender received	Whether % excess or less %	Initials of the officer opening the tender	Action Taken on the tenders
1	2	3	4	5	6	7	8	9	10

Annexure – II(A)

Register of Agreements (Para 2.6.2.10)

Circle:

Division:

Year:

Range:

Sl. No.	Name of the work	Estimate No. and value of estimate	Value of work put to tender	Value of Agreement and date of agreement	Tender percentage (+) or (-) or at par	Name of the contract or	scheduled date of completion of work	Actual date of completion of work.
1	2	3	4	5	6	7	8	9

Annexure - III

Register of Registered Contractors (Para 4.2)

SS. No	Class of Contractors	Monetary Limits Of Works	Registering Authority	Solvency Certificate	Past experience	Reg. Fee
1	Class - I	50.00 Lakhs to 1 Crore	Conservator of Forests	Rs 5.00. Lakhs	Execution of works upto Rs 3.00 lakhs in a year	Rs. 100
2	Class - II	Above Rs.10.00 Lakhs upto Rs. 50 Lakhs	Conservator of Forests	Rs1.00 lakh	Execution of works upto Rs 1.00 lakh in a year	Rs. 50
3	Class – III	Up to Rs. 10 lakhs	DFO	Rs 20,000/-	Nil	Rs. 30
	Transport					
4	Class I	Above Rs 2.00 Lakhs and up to any amount	DFO		A) Value of group of works to have been executed Rs3.00 lakhs in any one	Rs. 300

					year during the past 5 years	
					B) Value of single work to have been executed in a year Rs 2.00 lakhs	
5	Class II	Above Rs 0.50 Lakhs and up to Rs 2.00 Lakhs	D.F.O	----- ----	A) value of group of works to have been executed in a year Rs1.00 lakh in any one year during the past five years B) Value of single works to have been executed in a year Rs 0.75 lakh in any one year during the past five years	Rs. 150
6	Class III	Upto Rs 0.50 lakh	D.F.O	-----	A) Value of group of works to have been executed in a year Rs 0.60 lakh in any one year during the past five years B)Value of single works to have been executed in a year Rs 40000/-	Rs. 100

Annexure - IV(A)

**Form Of Application For Registration Of Contractors
Civil/Forest/Transport (Para-4.3)**

To

D.F.O/Conservator of Forests

Sir

**Sub: Contractor—Forest Department-Application for
registration as Class-I/II/III**

Contractor-submitted

I.....Managing Partner of (in
the case of firm)

.....and
Resident.....Village.....Man
dal...

.....District.....a Registered
Class.....Contractors.....of Govt/Corporation etc.,
request you to kindly register my name /our firm as
..... Class Contractor in the category of Civil /Forest
works /Transport. Contractor and communicate suitable orders of
registration.

2. In this connection, I enclose the following prescribed documents for
your information

i).Treasury Challan No.....Dated.....for Rs.....Creditable to the D.F.O.....Under the Head of Account "8782 Cash remittances & adjustments between officers rendering account to the same Accountant General-103 Forest remittances-(iii) 03 other remittances-Registration fees of Contractors".

ii). Solvency certificate issued by competent authority for Rs..... (The Solvency certificate shall be not more than one year old)

iii). A list of works carried out by me in the past five years with their values certified by department Engineer of the rank of Executive Engineer or Equivalent rank

iv). Latest Sales Tax/Income Tax Clearance Certificate

v). Certified copy of the partnership deed (In the case of firm)

Annexure - IV(B)

Form for approval of registration of contractor (Para 4.3)

Proceeding No.....Dated.....

Present:

Sub: Contractor-Registration of Contractors –Orders—issued

Ref: 1)

The application received from the contractors referred to for Registration as Class-I, II, III contractors was examined. It is decided to register him as Class I, Class II, Class III contractor for - ----- civil / Forest works/transport works in ----- area of Forest Department in A.P.

The Conservator of Forests /D.F.O accordingly register the name of the following contractor as Class I, Class II, Class III contractor qualified to tender for works costing above and upto Rs.....

In the terms of the rules prescribed and subject to the conditions stipulated:

Sl. No	Name and address of the contractor	Class
1	2	

The Managing Partner/Partners of the firms if any, which are now registered as Class-I, II, III. Contractors shall intimate the changes in the partnership deed, if any and produce fresh Solvency Certificate in the name of the substituting partners. Failure to notify the changes to the registering authority within one month of such change will entail the firm to forfeit registration and further the firms will be debarred from tendering for works.

The Registration will be valid upto 5 years from the date of registration. The registering authority reserves the right to cancel or demote without notice and without assigning any reason.

Application for Renewal of Registration after 5 years, if desired should be submitted to the office before one month from the date of expiry of validity of registration

Divisional Forest Officer/Conservator of Forests

To,

The Concerned

Annexure -V (A)

Form of Solvency Certificate by the Bank (Para 4.3)

I Managing Director/Manager/General Manager/Agent ofBank Ltd., do hereby certify that(here the Names and Address of the contractor) to be solvent to the extent of Rs.....
(Rupees.....) as disclosed by the information and record which are available with the afore-said Bank.

Date:

Place:

For the.....Bank

(Designation of the Officer authorized to sign)

Annexure : V(B)

Form of Solvency Certificate to be issued by Mandal Revenue Officer (Para-4.3)

I..... M.R.O. of
..... do hereby Certify, on
being satisfied by the examination of Revenue and other records and
Local enquiries that

.....

(here the name and address of the contractor should be mentioned) is
solvent to the extent of
RS.....(Rupees.....

.....

.....)

M.R.O.

Seal of the Officer

Mandal

Date:

Place

Annexure :VI(A)

Form for deregistration of contractor - where contractor himself desires that his name may be removed. (*Para-4.5 to 4.8*)

To,

Sub: Removal of contractors from list of approved contractors

Dear Sir (s)

1. As desired by you, your name is removed from the approval list of contractors of

his command/Area/Division/Circle/Unit/Project.

2. Action to release your security deposit/sending security bond amount is in hand

Yours faithfully

Copy to all concerned.

Annexure - VI(B)

Form for deregistration of contractor - Where contractor fails to submit valid Income Tax Clearance Certificate. (Para-4.5 to 4.8)

To,

Sub: Removal of contractors from list of approved contractors

Ref : This Office Letter No.

As you have failed to furnish a valid Income Tax Clearance Certificate in spite of the notices Issued to you under this office letter (s) quoted under reference, your name is hereby removed from the approved list of this Division/Circle/Unit/Project

2. Action to release your security deposit/sending security bond amount is in hand

Yours faithfully

Copy to all concerned.

Annexure - VI(C)

Form for deregistration of contractor - For any other reason mentioned in the Manual (*Para-4.5 to 4.8*)

To,

Sub: Removal of contractors from list of approved contractors

Dear Sir (s)

Your name is hereby removed from the list of approved contractor of this Division/Circle/Unit/Project

Yours faithfully

Copy to all concerned.

Annexure – VII –A

Tender Notice (Forest Works & Civil Works Major & Minor) (Para 2.6.2.4)

Government of Andhra Pradesh

Forest Department

Ref No.-----Date-----

O/o The DFO/CF-

Tenders are invited for the following works by DFO/ Conservator of Forests-----Division /Circle:

Sl.No.	Estimate No. and Date	Nature of work & Physical units	Total estimated value of work (mention in	Estimated value of each physical	Total estimated value of work
--------	-----------------------	---------------------------------	---	----------------------------------	-------------------------------

			figures & words in Indian Rupees & Paise)	unit	
1	2	3	4	5	6

1. Tenders should be submitted in the prescribed form (schedule).
Tender schedules along with terms and conditions may be obtained from the O/o DFO/CF-----(*give address*) on payment of unrefundable amount of Rs.----- for each schedule before-----AM/PM (*give time*) on -----(*give date –one day prior to last date for submission*).
2. Tender schedules will be issued to the registered contractors of the Forest Department. Tenderers who have not registered themselves as Forest Department Contractors have to furnish evidence of their good record and capacity to do work. If the department is satisfied about their good record and capacity to do work, then only the tender schedules will be supplied to the tenderers not registered with the Forest Department.
3. The cost of tender schedules may be paid by cash or should be remitted to the Head of Account "8782 Cash remittances and adjustments between officers rendering accounts to the same Accountant General – 103 Forest Remittances – 3 Other Remittances. Cost of Tender Schedules." The original challan should be enclosed to application for supply of tender schedule.
4. Application for the supply of tender schedules should be accompanied by E.M.D. of 1 % (in respect of major works costing more than Rs. 1.00 lakh) /1.5 % (in respect of minor works costing upto Rs. 1.00 lakh) of the estimated value of work put to tender either in the shape of crossed Demand Draft on any Nationalized Bank or through challan after remitting in the

above mentioned Head of Account. Applications not supported with EMD as specified above will be summarily rejected and tender schedules will not be supplied.

5. The EMD of 1 % (in respect of major works costing more than Rs. 1.00 lakh) /1.5 % (in respect of minor works costing upto Rs. 1.00 lakh) shall be forfeited if the tenderer, after obtaining the schedule fails to submit his tender in time.
6. The balance EMD of 1.5% (in respect of major works) and 1% (in respect of minor works) should be remitted by the successful tenderer at the time of concluding the contract. In case of discount tenders, the tenderer has to produce Bank guarantee for the amount equivalent to the less percentage quoted as compared to the estimate value of the work at the time of concluding the contract. This Bank guarantee should be got revalidated by the contractor from time to time for the entire period of currency of contract.
7. The EMD will be refunded to the unsuccessful tenderer on application, after intimation of rejection of tender or two months after the expiry of last date prescribed for receipt of tender whichever is earlier.
8. The EMD of the successful tenderer will not carry any interest. It will be dealt with as provided in the tender schedule.
9. Employees in Government service should not participate in tenders either directly or indirectly.
10. The work site may be inspected before submission of Tender.
11. Rates shall be quoted in the prescribed format of the Tender Schedules clearly in Indian Rupees and Paise both in words and in figures.

12. Tender should be submitted in sealed covers duly superscribed with tender enquiry number with date of submission, last date and time of submission and name of work in the O/o DFO / CF -----(*give address*) before -----
--AM / PM (*give time*) on -----(*give date.*) No tender will be received after the closing date and time, under any circumstances and the Forest Department will not be responsible for any delay caused due to postal or any other reason.
13. The tenders received, will be opened at -----AM /PM (*give time*) on -----(*give date*) in the office of -----
(*give designation of the Officer in whose office tenders will be opened and the address*) by DFO / CF ----- or his nominee in the presence of the tenderers who may be present.
14. Conditional tenders are not accepted unless the tenderer who wishes to introduce any condition not specified in the tender document furnishes, the financial effect of such condition and puts in a separate sealed cover indicating clearly on the top of the cover as to what the cover contains. Alternatively, the tenderer may quote his rate on the basis that no conditions other than those specified in the tender notice would be accepted and indicate in a separate sealed cover the rebate he would offer if the department is prepared to accept any one or more conditions specified therein.
15. The DFO/CF -----reserves the right to cancel/withdraw whole or part of the above mentioned works without assigning any reason what so ever.

DFO/CF-----

Annexure – VII -B

Model Tender Schedule (For Forestry, Minor and Major civil works) (Para 2.6.2.4)

Date:

To
The Divisional Forest Officer / Conservator of Forests-----,
Sir,

With reference to your Tender Notice in Ref No. -----Dt. ---
----- I ----- offer the following rates for the works mentioned.

(Note: Please quote rate either Plus (+) or Minus (-) (ie., overall uniform percentage) or " At par" of estimated rates mentioned in the estimate)

Item No.	Name of work (see tender notice)	Item of work	APSS/ FSR Number	Physical units	Estimated rate	Total estimated value of the work for each item of work as in column 3	Total tender amount for the work for each item of work as in column 3	Increase or decrease of tendered amount over estimated amount for the entire work as mentioned in column 2 in percentage, either (+), or (-) or (at par).
1	2	3	4	5	6	7	8	9

Schedule (A)

E.M.D. details: Challan /D.D. No._____Dt.____Amount____ Treasury
/Bank _____.

I have read and understood the terms and conditions and
Estimates of tender notice issued by the Forest Dept., -----
(date)----- and I hereby undertake to abide by all the conditions
that may be prescribed in the tender notice and tender schedule.

Place:

Date:

Signature of the tenderer

Tenderer's Address:

Name:-----Father's Name-----H.No.-----
Village-----Mandal-----District-----Pin Code-----

Phone No. Area code-----Number-----

Terms and conditions

A. Tender offers:

1. Offers in the prescribed proforma of the schedules supplied by the Department only will be accepted.
2. Conditional tenders are not accepted. If a tenderer wishes to introduce any condition not specified in the tender documents the tenderer must submit the tender indicating the amount of tender and the conditions in separate sealed covers indicating clearly on the top of the covers what the cover contains viz., the

tender of the special conditions in order to enable the officers receiving the tenders to open the sealed covers containing the conditions first. In the sealed covers containing the conditions, the tenderer must invariably indicate the definite financial effect of each of the condition. The financial effect so indicated will be taken into account in evaluating his tender and if the actual expenditure during execution is found to be more than that indicated by him, the excess expenditure will be to his account i.e., it will be adjusted in the bills to be paid to him. Alternatively the tenderer may quote his rates on the basis that no conditions other than those specified in the tender notice would be accepted and indicate in a separate sealed cover the rebates he would offer if the Department is prepared to accept or any one more conditions to be specified therein. In the absence of such clarifications, or such financial assessment, the tender will be deemed to be incomplete and is liable to be rejected.

3. The validity of the tender will be in-force for a period of two months from the date of tender or its acceptance whichever is earlier. During the above mentioned period no plea by the tenderer for any sort of modifications of the tender based upon or arising out of any alleged misunderstanding or misconception or mistake or for any reason will be entertained.
4. In consideration of the D.F.O undertaking to investigate and to take into account each tender and in consideration of the work there by involved, all earnest monies deposited by the tenderer will be forfeited to the Government in the event of such tenderer either modifying or withdrawing his tender at his instance within the said period of two months. Before the expiry of the validity period the authority competent to all for tenders shall seek

further extension of validity from the tenderer. In case validity is not extended, his tender will not be considered and the EMD shall be returned.

5. 2.5 % of the total estimated value of the work put to tender will be kept as EMD. Out of this, EMD equivalent to 1% is to be paid at the time of application for supply of tender schedules in respect of major works and 1.5% is to be paid at the time of application for supply of tender schedules in respect of minor works. When the tender is to be accepted, the tenderer whose tender is under consideration shall, attend the Division Office / Circle office on the date fixed by written intimation to him. He shall forthwith upon intimation being given to him by the D.F.O/C.F. of acceptance of his tender, make the balance E.M.D of 1 ½ /1% in one of the forms prescribed and sign an agreement for the due fulfillment of the contract. In case of discount tenders, the tenderer has to produce Bank guarantee for the amount equivalent for the less percentage quoted as compared to the estimate value of the work at the time of concluding the contract. This Bank guarantee should got revalidated by the contractor from time to time for the entire period of currency of contract. Failure to attend the Division Office on the date fixed in the written intimation as defined on this paragraph shall entail forfeiture of the earnest money. The written agreement to be entered into between the contractor and the Government shall be the foundation of the right of both the parties and the contract shall not be deemed to be complete until the agreement has first been signed by the contractor and then by the proper officer authorized to enter into contracts on behalf of Government.

6. The Tenderer shall examine closely the Andhra Pradesh Standard Specification, F.S.R. and also the Standard Preliminary Specification contained therein, and sign the Divisional Office/Circle office. Copy of the Andhra Pradesh Standard Specifications, F.S.R. and its addenda volume in token of such study before submitting his tender unit rates which shall be for finished work in *site*. He shall also carefully study the drawing and additional specifications and all the documents which form part of the agreement to be entered into by the accepted tenderer. The Andhra Pradesh Standard Specification and other documents connected with the contract such as specifications, plans, descriptive specification sheet regarding materials, etc., can be seen at any time between 11 AM and 5 PM in office of the D.F.O./C.F.
7. The tenderer's attention is directed to the requirements for materials under the clause "Materials and Workmanship" in section D of the "Preliminary Specifications" Materials conforming to the "Standard Specification" shall be used on the work, and the tenderer shall quote his rates accordingly.
8. Every tenderer is expected, before quoting his rates, to inspect the site of the proposed work. He should also inspect the quarries, and satisfy himself about the quality and availability of materials. The names of quarries, kilns, etc., where from certain materials are to be obtained will be obtained from the quarries or other sources defined shall be used on the work. In every case, the materials must comply with the relevant Standard Specification. Samples of materials as called for in the standard specification or in this tender notice or as required by the D.F.O./C.F. in any case shall be submitted for the D.F.Os/C.Fs

approval before the supply to site of work is begun. If the contractor, after examination of the source of materials is of opinion that materials complying with the Standard or other Specifications of the contract cannot be obtained in quantity or sufficient quality from the source he shall so state clearly in his tender and state where from he intends to obtain materials subject to the approval of the DFO/CF.

9. The Government will not, however after acceptance of a contract rate pay any extra charges for lead or for any other reason, in case the contractor is found later on to have misjudged the materials available. Attention of the contractor is directed to the standard "Preliminary Specification" regarding payment of seigniorage, tolls etc.
10. If the tender is made by an individual, it shall be signed with his full name and his address shall be given. If it is made by a firm, it shall be signed with the co-partnership name by a member of the firm, who shall also sign his own name, and the name and address of each member of the firm shall be given. If the tender is made by a corporation, it shall be signed by a duly authorized officer who shall produce with his tender, satisfactory evidence of his authorization such tendering corporation may be required, before the contract is executed, to furnish evidence of its corporation existence.
11. The responsibility to receive promptly all the communications rests fully on the tenderer himself.
12. Information on the following to be furnished along with tender.
 - a. Whether the tenderer is a limited Company/partnership firm if so, the name of the partners there of.

- b. Bankers name and address.
 - c. Income tax permanent account number.
- 13. The tender shall be treated as incomplete if:
 - a. It contains any over writings, corrections, alterations not attested by the tenderer with full signature.
 - b. It contains any columns left un-filled.
 - c. It does not include his willingness to take up further maintenance, if required by the Department.
 - d. It does not contain the signature of the tenderer on the schedule and on each page of the terms and conditions it will be rejected.

No further correspondence will be entertained in this regard.

- 14. The tenderers or their agents are expected to be present at the time of opening of the tenders. The Tender Receiving Officer will, on opening each tender, prepare a statement of the attested and unattested corrections therein and hand it over to the tenderer concerned and initial all such corrections in the presence of the tenderer. If any of the tenderers or their agents finds it inconvenient to be present at the time, then in such a case, the Tender Receiving Officer will, on opening the tender of the absentee tenderer, make out a statement of the unattested corrections and communicate it to him. The absentee tenderer shall then accept the statement of the corrections without any question whatsoever.
- 15. The cost of the tender schedules will not be refunded under any circumstances.
- 16. The Forest Department reserves the right to negotiate with the lowest tenderer or any other tenderers in case the rate

quoted is not acceptable, immediately after opening of the tenders or any subsequent date.

17. The Forest Department reserves the right to accept or reject any tender or all tenders without assigning any reasons there of.
18. The tender shall be submitted in a sealed cover superscribed with tender notice reference no. and date etc., as mentioned in item 7 of Tender Notice.
19. Tenders offering a percentage deduction from or increase on the estimate amount, and those not submitted in proper form or in due time will be rejected. Rates or lump-sum amounts for items not called for shall not be included in the tender. No alteration which is made by the tenderer in the contract form, the conditions of contracts, the drawings, or quantities accompanying same will be recognized and, if any such alterations are made, the tender will be void.
20. The tenderer should work out his own rates on the basis of rates worked out by the department and the amount for each item and the total value of the contract.
21. Preference in the selection from among the tenders will be given, other things being equal, to those who are themselves, professionally qualified or who undertake to employ qualified men at their cost to look after the work. The tenderer should therefore state in clear terms, whether they are professionally qualified or whether they undertake to employ technical staff and if so, to give their professional qualifications or of the staff to be employed. In case the selected tenderer is one who has undertaken to employ technical staff under him, he should see that one of the staff is always at site of the work during working

hours, personally checking all items of work and paying extra attention to such works as may demand special attention, e.g., Reinforce concrete work, etc.

Note:- This paragraph should be scored out if the cost of the work involved is less than Rs 10,000/-

22. A schedule of quantities accompanies this tender notice. It shall be definitely understood that the Government does not accept any responsibility for the correctness or completeness of this schedule and that this schedule is liable to alterations by omissions, deductions, or additions at the discretion of the D.F.O of the division, C.F. of circle or as set forth in the conditions of contract. The tenderer will, however, base his lump-sum tender on this schedule of quantities. The unit rates are those governing payment of extras or deductions for omissions according to the conditions of the contract set forth in the preliminary specifications and other conditions or specifications of this contract.
23. The tenderer is not required to quote item wise. He should indicate his willingness to do the work at the estimated value of the work or at a percentage in excess of the estimated value of the work or at a percentage less than the estimated value of the work. This schedule accompanying the lump-sum tender shall be written legibly and free from erasures over writings, or corrections of figures. Corrections where unavoidable should be made by crossing out initialing, dating and rewriting.
24. The attention of the tenderers is directed to the contract requirements as to the time of beginning work, the rate of progress and the dates for the completion of the whole work and

its several parts. The following rate of progress and proportionate value of work done from time to time, as will be indicated by the D.F.O/C.F's certificates of the value of work done, will be required. Date of commencement of this Programme will be the date on which the site (or premises) is handed over to the contractor

Month	Physical Progress %	Financial Progress %
1	2	3

25. No part of the contract shall be sublet without written permission of the D.F.O/C.F.

nor shall transfer be made by power of attorney authorizing others to receive

payments on the contractor's behalf.

26. If further necessary information is required, the D.F.O of the division will furnish

such, information but it must be clearly understood that the tenders must be received in order, and according to instructions.

B. Deposits:

27. 2.5 % of the total estimated value of the work put to tender will be kept as EMD. Out of this, EMD equivalent to 1% is to be paid at the time of application for supply of tender schedules in respect of major works and 1.5% is to be paid at the time of application for supply of tender schedules in respect of minor works. The balance of 1.5% / 1.% is paid by the

successful tenderers at the time of concluding the agreement.

28. In respect of major works, the FSD will be 7.1/2% of the total value of work done, and it will be 3 % for minor works costing more than 50,000. This F.S.D. at 7.1/2 % or 3 % as the case may be will be with held from the running account bills of the contractor under clause 68 of P.S to A.P.D.S.S. for due fulfilment of the contract.
29. In respect of major Civil works where FSD is with held at 7 1/2 % of the value of work done from the running account bills, FSD of 5 % will be released in the final bill and the balance of 2 1/2 %, FSD which is kept in revenue deposits and E.M.D will be released after payment of final bill and after defect liability period of 2 years for major original civil work and one year for major civil maintenance work. In respect of minor civil works refund of EMDs and FSDs will be made after the payment of final bill to the contractor and the initial observation period of 6 months from the date of completion of the works.
30. The EMD of the unsuccessful tenderers will be refunded at the expiry of the period of validity of tender or entrustment of the work to the successful tenderer, which ever is earlier.
31. Request for adjustment of the bills pending for payment to the tenderer towards EMD and FSD of other works executed by the contractor and which are due for refund towards the EMD and FSD of this tender will not be accepted.
32. EMD can be paid in the form of Challan /Crossed DD in favour of-----(*give address and designation*). The DD should be valid for a minimum period of 6 months from the date of

opening of the tenders. The successful tenderer shall extend the same for the duration of the contract, or till the EMD is returned.

Special to Forest Department

33. The EMD and FSD shall be refunded after successful completion of the contract payment of final bill and after defect liability period 6 months in the case of original forestry works and 3 months in the case of forestry maintenance works.

C. Discount tenders

34. In case of discount tenders, the successful tenderers should furnish additional security at the time of concluding the contract in the form of Bank guarantee for the amount equivalent to the plus or (-)/minus percentage quoted as compared to the estimate value of work put to tender. This bank guarantee should be got revalidated by the contractor from the bank from time to time for the entire period of validity of contract.

D. Agreement bond

35. Once the tender is accepted, it is deemed that the tenderer has accepted all the conditions that are detailed in the tender schedule and shall execute an agreement with the Department on stamped paper of Rs.100/- within 7 days from the date of the confirmation order.

E. Execution of works

36. The quality and quantity of work may be increased or decreased as per the field conditions at the discretion of the

DFO/CF-----, The contractor is bound to execute all additional items of work contingent on the main work. Payment for all items of work in excess of the quantities shown in schedule of the tender or new items not included in the original estimate or for deducible item of work, shall be Standard Schedule Rates / Forest Schedule of Rates plus or minus overall tender excess / deficit accepted by the competent authority. (Standard Schedule Rate and Forest Schedule Rate mean the schedule of rates on which the sanctioned estimate was prepared).

37. The successful tenderer shall complete the work within the stipulated time as per the calendar of operations Specified in SSR/FSR.
38. Reasonable extension of time will be given by the Divisional Forest Officer / Conservator of Forests or by the officer competent to sanction the extension for unavoidable delays which in the opinion of Divisional Forest Officer / Conservator of Forests etc. are undoubtedly beyond the control of the contractor. If the contractor is guilty of delay in commencing or carrying on the work and fails to improve in spite of notice it shall be lawful for the Divisional Forest Officer / Conservator of Forests to determine the contract which shall entail forfeiture of security deposits (EMD & FSD) and other amounts due to the contractor. Further, it shall be open to Divisional Forest Officer / Conservator of Forests to have the balance of work carried out by another contractor / departmentally at the risk and cost of the contractor in respect of minor and major forestry works and major civil works. However in respect of minor civil works,

such determination entails forfeiture of deposits (EMD & FSD) and other amounts due to the contractor.

39. If the contractor by his own willful act or default suspends the work or sublet the work or a portion thereof without the sanction of Divisional Forest Officer / Conservator of Forests, shall neglect or fail to proceed with the work as laid down in schedule rate of progress, the Divisional Forest Officer / Conservator of Forests has powers to give notice in writing to the contractor asking him to proceed with the work according to terms of contract. Such a notice must specify the act / default on the part of the contractor. After such notice the contractor has no liberty to remove from the site of the work any plant / materials belonging to him. If the contractor fails to comply with the same for 7 days in the case of both minor and major forestry works and 14 days for major civil works after such notice has been given, the Divisional Forest Officer / Conservator of Forests can enter upon the work and take possession of work along with plant / material. The balance work will be got executed at risk and expense of the contractor in respect of major works.

40. The Tenderer's particular attention is drawn to the sections and clauses on the standard "Preliminary Specification" dealing with---

1. Test, inspection and rejection of defective materials and work (PS 27)
2. Carriage (PS 34)
3. Construction plant(PS 35)
4. Water and lighting (PS 38)

5. Cleaning up during progress for delivery (PS 43)
6. Accidents (PS 45)
7. Delays (PS 59, 60)
8. Particulars of payments (Section I of PS)

41. The contractor should closely peruse all the specification clauses, which govern the rates, which he is tendering.
42. The contractor shall continuously maintain adequate protection to all his works from damage, etc.
43. The Forest Department shall not be responsible for any loss or damage occurred to the work including the damage caused due to natural calamities. No claim from the contractor for compensation on this account shall be entertained.
44. The Contractor will observe all safety and security regulations in respect of all the workers engaged by him. The contractor will observe all the Contract Labour Acts and Rules in force. He should make his own arrangements for housing, resting, insurance etc., to the staff and labour.
45. The Forest Department shall not be responsible for any accident occurring to his workmen or any other person during the progress of work. The Forest Department will not be liable to pay any compensation to the workmen employed in the execution of the work by the contractor under the Workmen's Compensation Act.
46. The tenderer shall ensure payment of minimum wages prescribed by the Government under relevant statute from time to time to the workers employed by him for carrying out the works tendered.

47. It shall be clearly understood that the Department shall not consider any compensation what so ever towards the idleness of contractor's labour, equipment, etc.

Special to Forest Department

48. Reasonable extension of time will be given by the Divisional Forest Officer / Conservator of Forests or by the officer competent to sanction the extension for unavoidable delays which in the opinion of Divisional Forest Officer / Conservator of Forests etc. are undoubtedly beyond the control of the contractor. If the contractor is guilty of delay in commencing or carrying on the work and fails to improve inspite of notice it shall be lawful for the Divisional Forest Officer / Conservator of Forests to determine the contract which shall entail forfeiture of security deposits (EMD & FSD) and other amounts due to the contractor. Further, it shall be open to Divisional Forest Officer / Conservator of Forests to have the balance of work carried out by the another contractor / departmentally at the risk and cost of the contractor in respect of minor and major forestry works
49. If the contractor by his own willful act or default suspends the work or sublet the work or a portion thereof without the sanction of Divisional Forest Officer / Conservator of Forests, shall neglect or fail to proceed with the work as laid down in schedule rate of progress, the Divisional Forest Officer / Conservator of Forests has powers to give notice in writing to the contractor asking him to proceed with the work according to terms of contract. Such a notice must specify the act / default on the part of the contractor. After such notice the contractor has no liberty to remove from the site of the work any plant / materials belonging to him. If the contractor fails to comply with

- the same for 7 days in the case of both minor and major forestry works after such notice has been given, the Divisional Forest Officer / Conservator of Forests can enter upon the work and take possession of work along with plant / material. The balance work will be got executed at risk and expense of the contractor.
50. The calendar of operations may be changed, modified or altered by the Forest Department as and when necessary to match the changing conditions.
51. The tenderer is responsible not only for carrying out individual operations timely but also responsible for the overall success of Plantations, Nurseries and Other Forestry works including Departmental Extraction works, Training programmes, work shops, study tours etc. which are carried out by him.
52. Details of operations have been indicated in the specification. However it is expected that the generally accepted silvicultural / Horticultural practices shall be followed even if the same are not specifically mentioned in the specification.
53. The Contractor shall employ experienced supervisors and workers and take care of pesticide and fertilizer application.

F. Measurement of works

54. The quantities in the tender schedules are only approximate and therefore the payment will be restricted to the actual quantities after due measurements and check measurement.
55. Measurements of the works done will be made according to the progress of the work and the same will be valued according to the tender rates. Metric system of measurement will be

adopted for measuring and checking the works. It is to be expressly understood that the measured work is to be taken not according to the actual quantities when in place and finished according to the drawings or as may be ordered from time to time by the DFO and the cost calculated by measurement or weight at the respective prices, without any additional charge for any necessary or contingent works connected therewith. The rates quoted are for work in site and complete in every respect.

56. The contractor shall provide all assistance required for making out the measurements of the works like laying of paths, landscaping, checking the measurements, etc.
57. All the rejected and substandard works shall be removed and redone at the cost of the contractor.
58. If the successful tenderer fails to carry out the work within the specified time, Penal action as per the preliminary specification to Andhra Pradesh Detailed Standard Specification (APDSS) will be taken and the contractor has to sign the copy of APDSS in token of his liability on this account
59. No FSD shall be withheld from the bills for works costing upto Rs. 50,000/-.
60. Employees in Government service should not participate in the tenders either directly or indirectly. If it is found at any stage that the contractor is a Government employee his contract will be terminated, forfeiting his FSD and EMD and all the money due to him in performance of the works besides initiating disciplinary action as per the Department rules.

special to forest department

61. The contractor shall attend joint inspection of plantation/Nursery works/Other forestry works including Departmental Extraction of Forest Produce, Training programmes, Work shops, Study tours etc. being carried out by him whenever required by the Departmental authorities.
62. The contractor has also to sign the FSR in token of acceptance of calendar operations and specifications of works.
63. No deviation shall ordinarily be permitted and the works as per schedule be strictly followed. For any negligence, non-performance or delay while dealing with the plantation/Nursery work and other forestry work, the officer in charge has got all powers to suo-motu cancel the agreement without assigning any reasons and with hold the payments to the extent the works are substandard or In complete and can go ahead with the balance works by employing alternate tenderer, or in the event of non-availability of alternate tenderer the Department itself will take up the work and complete at the risk and cost of the original contractor. Any savings in this process would accrue to the Department. In such case, his contract with the Department will be terminated and he will be black listed. The EMD & FSD and the value of work done but not paid for will be forfeited to Government.

G. Payment

64. At any stage cumulative payment will not be more than actual work done.

65. All intermediate payments shall be treated as advance payments and are liable for deductions from subsequent and final bills.
66. All types of central and state Government taxes and royalties on work contract will be deducted at source as per the directions of Government from time to time from the bills of the contractor. Income tax will be deducted as per rules on the amount payable to the contractor to the extent of work executed by the contractor and the bills submitted from time to time.
67. Amounts if any due to the Department/Government from the tenderer for works done elsewhere, will be recovered from the intermediate/final bills of this work.

Special to Forest Department

68. Payment will be made in suitable instalments and after the work reaches safe stage as fixed by CF/DFO or his representative. Payment will be made after duly checking the quality of the work. (Payment schedule for Nursery & Plantation works is given below. Similar suitable schedule will be fixed for all other forestry works including Departmental Extraction of Forest Produce, Training programmes, Work shops, Study tours etc.).

a. Nursery works - Payment in 4 instalments.

25% : After bag filling and transplanting of primary seedlings /

sowing and germination in bags.

25%: When the bag plants are on the average 10 cms in height.

25%: When bag plants attain final height prescribed for the species.

25%: One month after the expiry of contract period.

b. Plantation works - Payment in 4 instalments.

15%: After completion of advance operations or value of work done

which ever is less.

30%: Completion of planting or value of work done, whichever is less.

30% : Completion of soil working.

25% : In June of next year after counting final survival.

69. The payment will be with held at the end, limiting it to the condition of the Nursery plantation etc., at the discretion of the officer in charge.

H. General

70. The Forest Department reserves the right to cancel or withdraw any unit, part of the unit or all the units of this tender notice/schedule without assigning any reasons there for.

71. The DFO/CF (Agreement Concluding authority) at his discretion, can extend the period of contract at the risk and cost of the contractor for compliance of the terms and conditions of this tender. In any case such extended period shall not be more than the original period of agreement.

72. Arbitration and dispute settlement:- Except as otherwise provided in the contract, all disputes and differences arising out of relating to the contract shall be referred to adjudication as follows:-

(1) (i) Settlement of all claims upto Rs, 50,000/- in value and below by way of Arbitration to be referred as follows:-

(a) Claims /bill up to 10,000/-	Conservator of Forests of another circle of A.P. Forest Department to be notified by the Prl. Chief Conservator of Forests.
(b) Claims /bill above 10,000/- and up to Rs. 50,000/-	Chief Conservator of Forests of the Forest Department other than the Chief Conservator of Forests in charge of the work in question to be notified by the Prl. Chief Conservator of Forests.

The Arbitration proceedings will be conducted in accordance with provisions of the Arbitration Act. The Arbitrator shall invariably give reasons in the award.

(ii) Settlement of all claims above Rs. 50,000/- in value: All claims above

Rs.50,000/- in value shall be decided by a Civil Court of competent jurisdiction by way of regular suit and not by arbitration.

(2) A reference for adjudication under this clause shall be made by either party to the contract within six months from the date of intimating the contractor of the preparation of final bill or his having accepted payment.

73. In case of overpayment or wrong payment made if any, to contractors due to wrong interpretation of the provisions of the contract, such wrong payment will be deducted in subsequent or final bill or at any time hereafter from the deposits or from any other amounts due to the contractor for other Government works executed by him.

74. In addition to the conditions specified herein all other conditions will be as per general conditions of the contract of the Forest Department in force and the same forms part of the contract.

75. If the tenderers called for negotiations are not present at the time, date and venue for negotiations their EMD will be forfeited.

Special to Forest Department

76. The contract will be extended at the risk and cost of the contractor, if the plants do not attain the prescribed height and growth till such time the plants attain the prescribed height and growth .

77. Penalties will be imposed and deducted from the outstanding bills of the contractor as per the decision by the

DFO/CF (Agreement Concluding authority) for the following lapses/lacunae on the part of the contractor.

- a. for negligence in carrying out the time bound operations as per the annexure.
- b. for not rectifying the substandard works as pointed out by the Officer in charge from time to time.
- c. for frequent absence of watcher.
- d. for cattle movements in the field.
- e. for any illegal cutting of trees of the raised plantations during the contract period.
- f. for not carrying out the operations timely.

78. In case of lower survival percentage (less than 75 %) at the end of the contract, FSD and EMD will be forfeited either partially or fully at the discretion of the Officer in charge of the work and cuts at the discretion of the Department will be imposed from the bills payable to the contractor. However, for counting survival only plants with healthy growing tips will be counted. In case of nursery 100% stock as tendered should be handed over at the minimum height of 30 cm above the bag with healthy growing tips.

79. The tenderer undertakes to maintain the plantations/nursery in the subsequent periods (years) at the same tendered rates.

80. **Certain important tender conditions to be observed before applying for nursery tenders.**

1. Persons who are experienced in carrying out forestry works only need to apply.

2. If the forest Officer incharge requires, can demand for an experience certificate from the tenderer.

3. The Farm Yard Manure should be very pure and free from soil or any other particles.

(i) The tenderer should be very careful while ordering the polythene bags

which are needed in terms of sizes and gauge.

(ii). Only 2mm sized sieve should be used for screening the soil or FYM or

sand.

(iii).If sprinkler system is provided, only that rate shall be paid for watering

as mentioned in the estimate.

(iv).The contractor will be solely responsible for protecting all the items in

the nursery like bore, motors, electrical fittings, barbed wire fencing,

gate, sprinklers, water pipe lines, sheds, asbestos sheets on the pump

room or labour shed etc.

4. The contractor should arrange one person, who should be kept under the control of the Department for carrying out all the works as instructed from time to time by the DFO/Agreement concluding authority/ any other person deputed by him.

5. The work site should always be kept clean and neat from weeds, bushes

etc., during the contract period.

Annexure – VII – C

Model form of Agreement (Forest works / Civil works – Major & Minor) (Para 2.6.2.4)

Articles of agreement made this.....day of20.....between..... His Excellency the Governor of Andhra Pradesh (herein after called the Governor which expression shall where the context so admits include his successors in Office and assigns) of the one part and.....(Contractors legal address for registered letters and notices) (hereinafter called the contractor which expression shall where the context so admits include his heirs, executors, administrators and legal representatives) of the other part.

Whereas the Government of Andhra Pradesh (hereinafter called the Government) are desirous of (Name of work and locality)..... and have caused an estimate of probable quantities contained in Schedule. A drawings and specifications describing the work to be done to be prepared.

And whereas the said Schedule A, drawings numbered serially 1 to..... Inclusive--- (Schedule B) and the specifications-(Schedule-C) have been signed by or on behalf of the parties hereto.

And whereas the Contractor has agreed to the retention by the Government of the earnest money of Rupees.....paid by him along with application for supply of tender schedules and at the time of concluding the agreement as security for the due fulfillment of the contract to the satisfaction of the D.F.O./C.F. or in the alternative as the D.F.O./C.F. may direct to deposit as security for the aforesaid purpose.

And whereas the Contractor has deposited with the D.F.O. / C.F. the sum of Rs..... by Bank Guarantee. as additional security for the due fulfillment of the contract to satisfaction of D.F.O. / C.F. at the time of concluding the contract.

And Whereas the Contractor has also signed the copy of the Andhra Pradesh Detailed Standard Specification and addenda volume thereto maintained in the Division office /C.F. office in acknowledgement of being bound by all the conditions of the clauses of the Standard Preliminary Specification and all the Standard Specification for items of works described by a Standard Specification Number in Schedule A. He has also signed the copies of FSR.

And Whereas the Contractor has agreed to execute upon the subject to the conditions set forth in the Preliminary Specification of the Andhra Pradesh Standard Specifications and such other conditions as are contained in all the Specifications forming part of this contract (hereinafter referred to as "the said conditions") the work shown upon the drawings and described in the said specifications and set forth in schedule A as the "probable quantities" and comply with the rate of progress noted at the end of this Articles of Agreement for a sum of Rs.....or such other sum as may be arrived at under the clauses of the Standard Preliminary Specification relating to payment on lump sum basis or by final measurement at unit price".

The Contractor should follow the time schedule scrupulously or as per the instructions of the officer concerned.

If the Contractor fails to carry out works as per the time schedule, if necessary these works will be carried out at the risk of the Contractor. EMD and FSD will be forfeited along with value of the work done but not paid for in respect of minor civil work. In addition, extra expenditure if any incurred in completing the balance work will be

recovered from the contractor in respect of major works after following the procedure specified in tender schedules and also in respect of minor and major forestry works. Savings in execution of the balance work will accrue to Government.

Now it is hereby agreed as follows:-

1. In consideration of the payment of the said sum of Rupees.....(to be entered in words and figures) or such other sum as may be arrived at under the clause of the Standard Preliminary Specification relating to payment on lump-sum basis or by final measurement at unit prices, the Contractor, will upon and subject to the said condition, execute and complete the works shown upon the said drawings and described in the said specifications and to the extent of the probable quantities shown in the Schedule A, with such variations by way of alterations of, additions to, or deductions from, the said works and method of payment therefor as are provided for in the said conditions.
2. The term D.F.O in the said conditions shall mean Forest Officer in charge of the division having jurisdiction for the time being over the work, who shall be competent to exercise all the powers and privileges reserved herein, in favour of the Government or with the previous sanction of or subject to ratification by the officer who is competent to approve the contract in cases where such sanction or ratification may be necessary.
3. Time shall be considered as of the essence of the agreement and the Contractor hereby agrees to commence the work as soon as the agreement is accepted by competent authority as defined by the Andhra Pradesh Forest Department Code/ Rules and the site (or premises) is handed over to him as provided for in the said conditions and agrees to complete the work within.....months from the date of such handing over the site(or premises) and to show progress as defined in the tabular statement "Rate of Progress", below, subject nevertheless to the provisions for

extension of time contained on clause 59 of the Standard Preliminary Specification.

Month	Physical Progress %	Financial Progress %
1	2	3

4. The said conditions shall be read and constitute as forming the part of the this agreement and the parties hereto will respectively abide by and submit themselves to the conditions and stipulations and perform the agreements on their parts respectively.

5. For minor Civil works agreement the following clauses of the standard preliminary specifications of the APSS shall apply:-

Section A:-All clauses, except that, in clauses 2nd 3 where the Preliminary Specification is mentioned, the reference shall be only to such clauses of the Preliminary Specification as are herein made applicable to this agreement.

Section C:-All clauses except 15(b)

Section D:-All clauses except that in clause 28, in place of the words "within six months from the completion of " read " before final payment for ".

Section E:-All clauses except than in clause 35, the word "which " occurring between; the word "progress" and "in" the first sentence shall be deleted as also the concluding portion of that present clause 42.

" The departmental officer in charge of the work shall be responsible for the correct setting out of all works but the piece-worker shall provide at his own cost all labour, materials and staff required for so doing".

Section F:- All clauses

Section G:- All clauses except 56.

Section L.J:- Clauses 64. to 67 inclusive, second sub-paragraph of clause 68, clause 70, 71 and 72.

6. 2.1/2 % of the total value of the estimated work will be kept as EMD. In addition FSD at 7 ½ % will be withheld from his running account bills for major works, out of which 5% will be released in final bill while crediting the remaining 2.5% under revenue deposits. The EMD and FSD of 2.5 % will be refunded after the payment of final bill and after defect liability period of two years for original major civil work and one year for maintenance civil work

For minor civil work costing more than Rs.50,000 FSD will be withheld for running account bills at 3 % of the value of work done. This FSD and EMD will be released after the payment of final bill to the contractor and the initial observation period of six months from the date of completion of the work.

However in respect of Forestry works EMD and FSD will be refunded after successful completion of the contract, payment of final bill and after defect liability period of six months in the case of original works and three months for maintenance works

7. The payment will be made in suitable instalments as fixed by D.F.O or his representative. Payments will be made after duly checking the quality and quantity of work. No interest will be paid for unforeseen delays in making payment to the contractor.

8. The quantities indicated for the purpose of calling tenders are only approximate and the payment will be restricted to the actual quantities after due measurements.
9. The works may be increased or decreased as per the field conditions etc., at the discretion of D.F.O/CF
10. The payments will be made in the following schedule; *(to be specified. See tender conditions for guidance)*
11. The contractor should be willing to take up further maintenance if required by the DFO/CF.
12. The final payment will not be released unless 100 % survivals are shown for nursery works. The minimum height of seedlings will be 30cm excluding bag height. The plants with healthy growing tips only will be counted. The final payment which will at least the 25% of total tender value will be paid by the end of July, next year verifying the survival and growth of the plants
13. Unlike civil works the plantation operations are seasonal in nature and any delay in carrying out the operations may make the plants survival difficult and quality may deteriorate. As such if any inaction or delayed action affects the quality of the plant adversely, this factor also is taken into consideration either to reduce or deny the payment.
14. No deviation will ordinarily be permitted and the work as per schedule should be strictly followed. For any negligence, non performance or delay while dealing with the forestry works, the DFO/ CF Agreement concluding authority has all the powers to suo-motu cancel the agreement withhold the payment to the extent the work is substandard or in-complete and can go ahead with balance programme by employing alternate

tenderer by nomination basis or in the event of non-availability of the alternate person, the DFO himself will take up and complete the work to rescue the plantation from dying and extra cost incurred in the process will be recovered, from the tenderer. The savings in the process will accrue to the Department. In such cases EMD/FSD and other amounts due to the contractor will also be forfeited.

15. The contractor's agrees to taken up subsequent maintenance at the same tender percentage, quoted for original work if entrusted by the Department.

16. The payment will be withheld at the end limiting to survivals at the discretion of the D.F.O

17. Income tax will be deducted as per rules on the amount payable to contractor to the extent of work executed by contractor and bills submitted from time to time.

18 In case of injury or death of any labour engaged by the tenderer for this work, the Contractor will be solely responsible and shall be liable for action under the relevant rules and the contractor shall pay the compensation that may be determined by any competent authority in this regard.

19 The Contractor shall be bound by A. P. Forest Act 1967 as amended from time to time and other Forest Acts and Rules as applicable.

20 The Contractor should always keep the work site clean and neat without any weeds.

- 21 The seedlings should be at least 30cm. height with thumb thickness at the collar region.
- 22 Plantation should have survival of 75% at the end of contract period with healthy growing plants of minimum 1m height with healthy growing tips.
- 23 All the conditions specified in the Tender schedule (*attach and attest copy of the same both by DFO/CF and Contractor*)
- 24 Arbitration and dispute settlement:- Except as otherwise provided in the contract, all disputes and differences arising out of relating to the contract shall be referred to adjudication as follows:-
- (1) (i) Settlement of all claims upto Rs, 50,000/- in value and below by way of Arbitration to be referred as follows:-

(a) Claims /bill up to 10,000/-	Conservator of Forests of another circle of A.P. Forest Department to be notified by the Prl. Chief Conservator of Forests.
(b) Claims /bill above 10,000/- and up to Rs. 50,000/-	Chief Conservator of Forests of the Forest Department other than the Chief Conservator of Forests in charge of the work in question to be notified by the Prl. Chief Conservator of Forests.

The Arbitration proceedings will be conducted in accordance with provisions of the Arbitration Act. The Arbitrator shall invariably give reasons in the award.

- (ii) Settlement of all claims above Rs. 50,000/- in value: All claims above Rs.50,000/- in value shall be decided by a Civil

Court of competent jurisdiction by way of regular suit and not by arbitration.

(2) A reference for adjudication under this clause shall be made by either party to the contract within six months from the date of intimating the contractor of the preparation of final bill or his having accepted payment.

Contractor's signature

Signature of DFO/CF

Witnesses:

- 1.
- 2.

In witness where of the Contractor
(contractor's name) has hereunto set his hand and
..... (Name and designation) acting on behalf of
and by the order and direct on of His Excellency the Governor of
Andhra Pradesh has hereunto set his hand the day year first
above written.

Signed by contractor :

Address :

In the presence of witness :

Signed by on behalf of Government.

Designation :

In the presence of witness :

SCHEDULE-A

Schedule of Rates and Approximate Quantities

(a) The quantities here given are those upon which the lump sum tender cost of the work is based, but they are subject to the alterations, omissions or additions as provided for in the conditions of this contract and do not necessarily show the actual quantities of work to be done. The unit rates noted below are those governing payment of extras or deductions for omissions according to the conditions of the contract, as set forth in the Preliminary Specification of the Andhra Pradesh Standard Specifications and other conditions or specifications of this contract.

It is to be expressly understood that the measured work is to be taken net (notwithstanding any custom or practice to the contrary) according to the actual quantities when in place and finished according to the drawings or as may be ordered from time to time by the D.F.O and the cost calculated by measurement or weight, at the respective prices, without any additional charge for any necessary or contingent works connected therewith. The rates quoted are for work in situ and complete in every respect.

Item No.	Name of work (see tender notice)	Item of work	APSS/FSR Number	Physical units	Estimated rate	Total estimated value of the work for each item of work as in column 3	Total tender amount for the work for each item of work as in column 3	Increase or decrease of tendered amount over estimated amount for the entire work as mentioned in column 2 in percentage, either
----------	----------------------------------	--------------	-----------------	----------------	----------------	--	---	--

								(+), or (-) or (at par).
1	2	3	4	5	6	7	8	9

(Signature of Contractor)

SCHEDULE-B

List of Drawings

All drawings should be serially listed and attested by the contractor in the following

Format

Sl.No.	Drawing number	Description	Signature of contractor

SCHEDULE-C

List of Specifications for the variation items of works supplementing those described in Schedule A .

Note1:- The Contractor shall employ the following technical staff for supervising the work and shall see that one of them is always as site during working hours personally checking all items of work and paying extra attention to such works as may demand special attention e.g., Reinforced concrete work.

Note 2:- In the case the contractor is himself professionally qualified the above specifications should be suitably altered and in cases in which the Contractor selected has not undertaken to employ qualified men it should be scored out

Note 3:- if the Contractor fails to employ a technical subordinate as stipulated in tender and agreement bond the work will be suspended of the department will engage a technical person and recover the cost thereof from the contractor Even in cases where the department has

not engaged a technical person a fixed sum per mensem towards the cost of technical subordinate will be recovered from the contractor. This sum will be fixed by the DFO and the decision of the DFO will be final.

Note4:- Additional specifications if any which have to be entered in Schedule "C" should be entered below item (1) above and numbered continuously

Annexure - VIII(A)

Form for purchase order of stores and equipment

Tender Notice No..... due at P.M..... on.....

Sealed Tenders for the supply of

.....

The tenders will be received by the undersigned and will be opened at on the same day at -----(*give address*).

The tender schedules and other documents can be had from the O/o -----(*specify*) during office hours from.....upto..... on payment of Rs..... in cash/or through remittance in Bank/Treasury Challan for each set towards the cost of Tender Schedules. The money should be credited to the head of account "8782 – Remittances and adjustments between the officers rendering accounts to the same Accountant General -103-Forest Remittances (iii) other remittances - cost of tender schedules". The money is not refundable under any circumstances. The Department is not

responsible either for non-receipt or late receipt of tender schedules sent by post.

Divisional Forest Officer/Conservator of
Forests..

Annexure - VIII(B)

Enquiry Form

Office of the D.F.O/C.F.....

Ref No.....Dated.....

To

M/s

Dear Sirs,

Please send sealed Tenders (in duplicate) for the supply of machinery/spares detailed in schedule enclosed. Sealed Tenders should reach this office on or before Tenders will be opened on the same day at in the presence of the tenderer who may desire to be present.

The tenderer shall go thorough the " Terms and Conditions " herein enclosed which are binding on the tenderer.

Yours faithfully,

D.F.O./C.F.

Schedule to accompany enquiry form

Sl.No.	Description of item	Part No.& specification No.	Quantity	Rate per	Amount	Amount in words
--------	------------------------	-----------------------------------	----------	-------------	--------	-----------------------

Terms and Conditions

1. Tenders shall be typed neatly or written in ink on plain paper or the

Tenderer's letter-head and shall be signed by the tenderer or his authorised agent. If a specific form is provided, it is obligatory on the part of the tenderer to quote in the form provided.

2. Tenders written in pencil will not be valid.

3. Erasures or over-writings shall be avoided. If any correction is to be

made, the portion to be corrected shall be neatly scored out and the correct matter neatly written duly attesting the correction.

4. Tender shall be submitted in duplicate. The tender in duplicate shall be enclosed in a plain cover duly passing the flap. The cover shall then be placed in another cover. This second cover shall be closed and sealed to prevent tampering. The particulars and reference of tender and time

and a date of opening of tender shall be subscribed on the cover on top in addition to noting of address, etc. If the tender is for different types of equipments, the Tenderer shall furnish individual tenders in duplicate for each type of equipment, but shall enclose all the offers in the same cover.

5. Telegraphic quotations will not be accepted.
6. Tenderers shall quote their Sales Tax Registration number.
7. Price quoted shall be for delivery F.O.R. Destination Station.
8. The Price quoted shall be valid for a period of 1/2/3 months from the date of tender.
9. The price quoted shall be clearly mention the cost of articles, duties payable in addition, if any, packing, forwarding and insurance, etc., charges. The rate and amount of sales tax payable, if any shall also be indicated in the tender.

In case of supplies from outside the State, which are subject to levy of Central Sales Tax at the concessional rate, the concessional rate shall only be quoted. Necessary 'D' form will be issued as and when it is required by the Dealer by giving full details of R.R., date, etc.

10. Unless otherwise stated quotations shall be in metric units.

11. (a) The tender shall be accompanied by E.M.D. (Earnest Money Deposit) of 3% of the value of work in the shape of Bank Draft Drawn in a favour ofon State Bank of India/Hyderabad, encashable at..... The amount shall not bear interest. Tenders not accompanied by E.M.D. will be rejected

(b) The Earnest Money Deposit will be refunded to the unsuccessful tenderer, after intimation is sent about the rejection of the tender or on receipt of an application from the tenderer, on the expiry of one month/two months/three months after the last date prescribed for receipt of tenders, whichever is earlier.

(c)Any short fall in Earnest Money Deposit consequent on the increase in the total value of the contract shall have to be made good by the successful tenderer if and when the tender is accepted. The Earnest Money Deposit will be retained in the case of successful tenderer and will not carry any interest.

12. The specifications given in the tender schedule are only for guidance. The tenderer may quote for specifications if he so desires. The tenderer may quote for accessories, etc., separately if he feels that the same will make the equipment complete and facilitate obtaining better performance and output of the machine.

13. The specifications of the items offered shall be clearly indicated duly supported by illustrated literature so as to

enable the purchaser to assess the merits of equipments, capacity, performance, etc.

14. The country of origin of material shall be stated. If import of equipment is necessary from abroad, the tenderer shall make his own arrangements unless otherwise agreed to by the purchaser.
15. In the case of spares, the original manufacturers trade name shall be mentioned if the items are brought out items and not manufactured by the tenderer.
16. The time required from the date of receipt of purchase order for delivery at destination shall definitely be stated and this shall form the essence of contract.
17. The tenderer shall give a guarantee for trouble free performance and against manufacturing defects for a period of one year from the date of commissioning of the equipment. He shall agree to replace or repair parts or whole equipment found defective at his own cost, within a reasonable time after receipt of intimation from the purchaser regarding the defects.
18. Payment will be made in full after receipt of material at site and verification unless otherwise stated.
19. In the event of any payment being made in advance of delivery, the Tenderer shall deliver the material strictly in conformity with the specifications set forth in the Schedule annexed to the Purchase Order and in accordance with the Terms and Conditions of the Contract and in the event of

the material not being so delivered for any cause whatsoever, the amount so paid in advance of delivery shall be refunded by the tenderer at the option of the Purchaser within..... from the date of receipt of communication of the exercise of the said option by the Purchaser.

20. The purchaser reserves the right to reject any or all of the tenders without assigning any reasons therefor. The Purchaser also reserves the right to increase or decrease the quantity as well as withdraw any of the items of the items of the tender.
21. The Purchaser will advise the successful tenderer to remit a further amount so that the amount along with the amount remitted earlier as E.M.D. will make up 5 % of the value of the contract. The amount equivalent to 5 per cent of the value of the contract shall be termed as " Security Deposit" and will be retained by the Purchaser as Security till successful completion of contract and will be dealt with as hereunder.
22. In the case of contract for supply of spares purchaser shall further retain 5 percent of the value of supplies as and when payments are made, towards Further Security Deposit (F.S.D.) for completion of contract in all respects.
23. On receipt of the amount towards Security Deposit, the purchaser shall issue a Purchase Order setting forth the conditions and terms with dates of delivery, etc., by registered Post Ack. Due.

24. The successful tenderer who will be hereinafter called the Contractor shall give in writing his unconditional acceptance to the Purchase Order and commence supplies. The delivery period shall be reckoned from the date of receipt of Purchase Order by the contractor.
25. No price variation of any account will be allowed on the prices mentioned in Purchase Order.
26. The Purchaser on receipt of consignment, shall verify and set forth defective supplies, if any, in writing to the Contractor, within 10 days from the date of supplies at destination.
27. The Contractor shall arrange to repair or replace defective supplies at his own cost to the complete satisfaction of the Purchaser within a month from the date of receipt of intimation from the Purchaser setting forth the list of defects. The penalty is enumerated in clauses infra.
28. 28. The supplies shall be made strictly within the delivery period stipulated in the Purchase Order. The Purchase Order stands automatically cancelled on the expiry of the delivery period stipulated, entailing levy of penalties mentioned in Clauses further below, unless the date of delivery is extended by the Purchaser.
29. Penalties: should the Contractor fail to deliver the equipment or any consignment thereof within period prescribed, or fail to rectify or replace defective supplies within a reasonable time after receipt of intimation, the Purchaser shall be entitled at his option to act as under:

(a). to recover from the Contractor as agreed liquidated damages and not by way of penalty, a sum of 2 percent of the price of any stores which the Contractor has failed to deliver as aforesaid for each month or part of a month during which the delivery of such stores may be in arrears, subject to a maximum of 5 percent; or

(b) to purchase elsewhere, without notice to the Contractor, on Contractor's account and at Contractor's risk, the stores not delivered or others of a similar description (where others exactly complying with the particulars are not in the option of the purchaser readily procurable such option being final) without canceling the contract in respect of the consignment not yet due for delivery; or

(c) to cancel the contract or portion thereof and if so, decide to purchase the

stores at the risk and cost of the Contractor; or

(d) to forfeit the Security Deposit in part or full at the discretion of the

purchaser.

30. In the event of action being taken under (a), (b) or (c) above, the contractor shall be liable for any loss which the purchaser may sustain on that account but the Contractor shall not be entitled to any gain on repurchases made against default.

31. The Security Deposit along with the Further Security Deposit will be returned to the Contractor on application within 2 months after making final payment or at the expiry of the Guarantee period whichever is later.
32. Notwithstanding anything contained in terms of offer by suppliers no suit in regard to any matter whatsoever, arising out of contract entered into by the purchaser, shall be instituted in any court save the Court of competent authority under the jurisdiction of the High Court of Judicature, Andhra Pradesh.
33. The purchaser referred to in the context shall be the Officer of the Forest Department, Government of Andhra Pradesh, placing the Purchase Order for and on behalf of the Government of Andhra Pradesh or an Officer authorised by the Purchaser.

Divisional Forest Officer/Conservator of Forests.

Annexure - VIII(C)

Form for placing purchase order

Office of the.....D.F.O/C.F.,

Purchase Order No..... Date:.....

To

M/s

.....

Dear Sirs,

Sub. :-

*Ref.:-*1. Our Tender Notice/Enquiry No.....,
Dt.....

2. Your Tender/Quotation No....., Dt.....

With reference to correspondence cited, your offer for supply of the items noted in the schedule enclosed herein is accepted. Please supply the items specified in the schedule enclosed subject to the terms and conditions enumerated in this order.

Dispatching Instructions :

1. Goods securely packed are to be delivered to the consignee mentioned below during office hours on any working day within the period of delivery specified.
2. Goods securely packed are to be dispatched to the consignee mentioned below by Passenger/Goods Train, freight paid and relative R.R. along with Packing slip/Note in duplicate, sent by Registered Post to the Consignee.
3. One copy of Packing slip/note duly received with remarks regarding discrepancies or shortages in supplies, etc., will be returned by the Consignee to the supplier on receipt of goods after verification.
4. The Supplier shall at his own expense mark each bale or package distinctive number or marks which are also to be shown on Supplier's packing slip/note to be placed in each package.
5. If a consignment contains more than one package, the serial number of each package shall be indicated as numerator and the total number of packages as the denominator. Thus the marks "2/8" on a package will indicate that it is a second package out of a consignment of eight packages.
6. Forwarding of Bills: Bills should be prepared in triplicate by the Suppliers and marked distinctly as 'Original', 'Duplicate' and 'Triplicate' and dispatched to the consignee quoting reference to Purchase Order.

7. In the case of spare parts, the make, model and serial number of the machine for which spares are meant should also be given.
8. Correspondence relating to all matters arising out of this Purchase Order shall be addressed to this office.
9. All correspondence relating to acceptance of consignment and payments for supplies made shall be carried on with the consignee.

Terms and Conditions:

1. The price mentioned in the Purchase Order is firm and no price variation on any account will be allowed.
2. The period of delivery shall form the essence of Contract. The Purchase Order shall automatically stand cancelled entailing levy of penalties on the expiry of the stipulated delivery period unless extended by the Purchaser.
3. Supplies shall conform strictly to the specifications and details set forth in the schedule.
4. The consignee on receipt of consignment shall verify and set forth defective supplies, if any, in writing to the contractor, within ten days from the date of receipt of supplies at destination.
5. The Contractor shall arrange to repair or replace the defective supplies at his own cost to the complete satisfaction of the Purchaser within a month from the date of receipt of intimation from the consignee and shall obtain a certificate therefor from the Purchaser or from any authorised officer of the Purchaser. Failure

on the part of the Contractor will entail him to the penalty clauses mentioned further below.

6. In the case of supply of machinery, the tenderer shall maintain at the site of work, a qualified service engineer for a period of 2 months to assist the purchaser in erection or assembling of machine and to train local men to secure the best output, if so require by the Purchaser at an additional cost of Rs..... Failure on the part of the Contractor will entail levy of penalty.
7. The tenderer shall give a guarantee for trouble free performance and against manufacturing defects for a period of one year from the date of commissioning of the equipment. The tenderer shall agree to repair or replace at his own cost defective parts or whole equipment, found defective during the agreement period, within a reasonable time after receipt of intimation from the purchaser regarding the defects. Default on the part of the Contractor shall entail levy of penalty.
8. The tenderer shall give guarantee to maintain adequate stock of both fast and slow moving spares for the machinery supplied by him and also to comply with indents within a period of.....
9. In the case of contract for supply of spares 5 percent of the value of bill shall be deducted and retained as Further Security Deposit (F.S.D) for fulfillment of the Contract.
10. Payment will be made in full after receipt of materials at site and verification unless otherwise stated in special conditions. In the event of any payment being made in advance of delivery, the tenderer shall deliver the material strictly in conformity with the

specification set forth in the Schedule herewith annexed and in accordance with the terms and conditions of the contract and in the event if its not being so delivered for any cause whatsoever, of the material delivered non conforming to the specifications mentioned in the tender Purchase Order the amount so paid in advance of delivery shall be refunded by the tenderer at the option of the Purchaser within.....from the date of receipt of the communication of the exercise of the said option.

11. The Security Deposit of Rs.....paid by the Contractor through Demand draft No.....Dt.....along with F.S.D will be returned on application from the Contractor, within 2 months after the date of final payment of bills, or from the date of application by Contractor, or 2 months after the expiry of guarantee period whichever is later.
12. The date of receipt of Purchase Order shall be taken for purpose of determining delivery period.
13. **Penalties:-**Should the Contractor fail to deliver the equipment or any consignment thereof within the period prescribed, or fail to rectify or replace defective supplies within a period ofafter receipt of intimation, the purchaser shall be entitled at his option to act as under:
 1. to recover from the Contractor as agreed liquidated damages and not by way of penalty a sum of 2% (two percent) of the price of any stores which the Contractor has failed to delivery as aforesaid for each month or part of a month during which the delivery of such stores may be in arrears subject to a maximum of 5%(five percent); or

2. to purchase elsewhere, without notice to the Contractor, on Contractor's Account and as Contractor's risk the stores not delivered or other of a similar description (where others exactly complying with the particulars are not in the opinion of the Purchaser readily procurable such opinion being final) without canceling the contract in respect of the consignment not yet due for delivery; or
 3. to cancel the contract or portion thereof and if so, decide to purchase the stores at the risk and cost of the Contractor's; or
 4. to forfeit the E.M.D or S.D or F.S.D in part or full at the discretion of the Purchaser in the event of action being taken under (a),(b) or (c) above, the Contractor shall be liable for any loss which the purchaser may sustain on that account but the Contractor shall not be entitled to any gain or repurchases made against default.
14. Notwithstanding anything contained in terms of the offer by the Supplier, no suit in regard to any matter what-so-ever, arising out of contract entered into by the Purchaser shall be instituted in any court save the Court of competent authority under the jurisdiction of the High Court of Judicature, Andhra Pradesh.
15. The contractor shall acknowledge the receipt of the Purchase Order and give his unconditional acceptance to the conditions before effecting supplies.

Yours faithfully,

D.F.O./C.F for and on behalf of the Governor of
Andhra Pradesh

Schedule

To accompany Purchaser Order No..... Dated.....

Sl.No	Description	Part No.or Code No .	Quantity	Rate per Amount

Terms and Conditions:

1. The price is for delivery F.O.R-----
2. Sales Tax at.....% will only be paid extra on the cost of the article. If this is an Inter-State Sale to Andhra Pradesh State and subject to levy of Central Sales Tax at the concessional rate, the concessional rate shall only be billed for. Necessary 'D' form will be issued as and when it is requested by the dealer by giving full details of R.R No. and date etc.
3. The supplies enumerated above shall be delivered at destination before.....
4. Special conditions.

D.F.O./C.F.

(For and on behalf of the Governor of Andhra Pradesh)