

DRAFT LETTER OF AWARD



Our Ref:

Date: 28.06.2022

To,

NILAM ENGINEERS

411, Paradise Complex,

Sayajigunj,

Vadodara-390 005

Mobile No- +91 9824079001

Email: pradip_darji@yahoo.com

Kind attn.: Mr. Pradip B. Darji

Sub: Work Order for Civil Works for the Mattress Production & Associated Works for Varahamurti Flexirub Industries Pvt. Ltd. Inc. Baska, Halol.

Ref.: 1) Tender document for Civil Works for the Mattress Production & Associated Works for Varahamurti Flexirub Industries Pvt. Ltd. Inc. Baska, Halol.

2) Techno Commercial discussions dated 05-06-2022 & 27-06-2022 regarding civil works of the subject work.

3) Your Final Confirmation Via. Email dated 28-06-2022.

Dear Sirs,

With reference to the correspondence together with all the enclosures referred above, we are pleased to hereby issue Work Order to you for **Civil Works for the Mattress Production & Associated Works for Varahamurti Flexirub Industries Pvt. Ltd. Inc. Baska, Halol**

1. The particulars, terms and conditions set out and contained in our tender document and correspondence together with all their enclosures referred to above constitute and shall be deemed and taken to be an integral part of this work order as if the same have been fully set forth herein, so far as any of them is not specifically accepted, modified or altered hereunder.



Pradip

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Varahamurti Flexirub Industries Pvt. Ltd.
Block No. 26/1 and 30, Mouje- Ujeti,
Taluka Halol, Panchmahals, Gujarat - 389350
E-mail: admin@springfit.com

E-mail: sales@springfit.com

TOLL FREE: 80 1016 1016

Website: www.springfit.com

2. **Scope of work:**

- a. The scope of work includes Earth work, Concrete work, Masonary work, Finishing work, Pavior work, Miscellaneous work, Pile work and Sanitary work etc as defined in tender documents as per detailed Drawings and as per specifications of our Consulting Engineers M/s. SHAH & TALATI and direction of their Engineer-in-charge.
- b. You shall carry out the work hereby awarded to you strictly in accordance with the General Conditions of Contract, Special Conditions of Contract, Technical Specifications and EHS guidelines as mentioned, provided and contained in tender document for civil work prepared by M/s. Shah & Talati and correspondence together with all their enclosures referred to above and as per instruction of their Engineer.
- c. Annexure (Schedule of Rates) shall be deemed to form and be read and construed as integral part of this contract. In case of any contradictions between Annexure and others, Annexure shall prevail.
- d. The quantum of work awarded to you is subject to any increase or decrease in quantities for variation up to plus or minus 25 % of the contract value and you shall carry out and complete the actual quantum of work as may be required.
- e. It may be noted that individual quantity may vary to any extent Plus or minus (+/-) 25% is applicable to total contract value and not to any individual item and the rates quoted by you and agreed by us shall remain effective and unaltered.

3. **Time of Completion:**

Time is the essence of Contract for the work awarded to you and you shall carry out and complete the entire scope of work awarded to you within **Seven (07) Months** from the date of Letter of Award.

4. **Contract value:**

- a. In consideration of your carrying out and completing the entire work hereby awarded to you in time and manner and on the terms and conditions herein provided and those provided in the contract document, correspondence together with all their enclosures referred to above and to our entire satisfaction, we shall pay to you for the work actually carried out and completed by you and approved and accepted by us at the rate stated as per Annexure which have been agreed by you.
- b. This is unit rate contract and you shall be paid on unit rate basis as per the enclosed Annexure. The total Contract value of work is **INR 4,13,61,460/- (Rupees Four Crore Thirteen Lacs Sixty One Thousand Four Hundred Sixty Only) excluding GST**. The actual cost will be determined as per actual executed quantities based on drawings and the unit rates specified in above annexures.



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- c. The rates are inclusive of cost of materials, labour, machineries, etc. and all taxes, Works Contract Tax, Octroi, Royalty for material brought at site, Provident Fund, Workman compensation Insurances or any other duties and charges chargeable by or payable to any Government and/or local authority at present or in future, in respect of the work hereby awarded to you, at the rates as are borne and paid by you and all other statutory obligation for the labour used by you which all be paid and administered by you.
- d. Income Tax at source shall be deducted at the applicable rate as per Income tax act 1961.
- e. The rates stated in annexure are firm for the entire period of the contract or any extension there after mutually agreed and are not subject to any escalation for any reasons whatsoever. You shall also not be entitled to claim from us any compensation or other payment because of such delays or otherwise howsoever.

5. **Extra Items:**

Extra items rate will be derived from the rate of similar type of items as specified in the contract Annexure of the work. If the rate of extra items can not be derived from the contract rate, rate will be determined on the basis of actual materials cost involved in the work at prevailing market rate plus labour cost at schedule of labour rates plus 15% toward overhead and profit. You will have to submit detail rate analysis along with supporting evidence for verifying the rates claimed.

If the extra items will be executed through nominated specialised agency, the rate will be settled on the basis of actual amount paid to such agency with supported documentary evidence plus 7.5% for overheads and profits. You will intimate in writing prior to execute any extra item and take necessary approval.

6. **Defect Liability Period:**

Any defect, shrinkage or other fault which shall appear within the defect liability period mentioned hereunder and which are due to materials or workmanship not in accordance with this agreement, shall be specified by the OWNER in a schedule of defects which it shall deliver to the contractor with a copy to Shah & Talati not later than 14 days after the expiration of the said defects liability period, and within a reasonable time after receipt of such schedule of the defect, shrinkage and other defaults therein specified shall be made good by the contractor entirely at its own cost. The defect liability period shall be **one year (12 months)** from the date of issuance of Virtual Completion Certificate.



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7. **Goods & Service Tax:**

Quoted Rates shall be inclusive of all Taxes, except Goods Service Tax (GST) which shall be payable separately by the Owner.

8. **Terms of Payment:**

a. **Earnest Money Deposit:** NIL.

b. **Project Performance Guarantee:** NIL

c. **Material Advance:** Material advance shall be given by the Owner as under :

i) At 100% value of Cement & Reinforcement Steel brought at Site for Consumption in Works.

ii) At 75 % Value of Sand & Bricks.

Material Advance will be paid within 8 days after receipt of certificate of payment in there office.

d. **Mobilization Advance:** NIL

e. **Retention Money:** 5% (Five Percent) of value of the work done and approved by the Engineer-In-Charge at the time of approving the relevant R. A. Bill will be deducted in cash from each R.A. Bill. 50% of the Retention Money will be released along with payment of Final Bill and balance 50% after the Defects Liability Period of **12 months** OR against issuance of a bank guarantee by a Nationalised Bank (acceptable to the owner) of an amount equal to 50% of the Retention Money for the term of the Defects Liability Period.

f. **Procedure for Progressive Payment:**

i) You will submit maximum two RA bills in a month with a minimum value of Rs. 30,00,000/- (Rs. Thirty Lacs only) 2/0,

ii) Bill checking by Engineer at site will be done within **5 days** from submission of bill on site.

iii) Certificate of Payment by the office of the Consulting Engineers shall be issued within **5 days** from the receipt of verified bill in office of consultant.

iv) The Owner will make payment against certificate of payment through RTGS / Cheque drawn on any bank within **7 days** from the receipt of bill & Certificate of Payment in their office.

f. **Final bill payment:**

You will submit final bill within a period of one and a half month from the date of completion of the work. Payment will be made after detail checking of bill and on



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issue of certificate of payment by our Consulting engineers, within a period of 60 days from the date of receipt of bill in their office.

9. **Liquidity Damages / Penalty:**

In the event of delay on your part in your carrying out and completing the work hereby awarded to you beyond period specified in para (3) above, you shall be liable to pay to us liquidated damages at the rate of 0.75% per week including Sunday & holidays subject to a maximum amount equivalent to 5% (Five) of the contract value of the work hereby awarded to you.

10. **Cement & Reinforcement Steel :**

Necessary Cement, Reinforcing Steel & Structural Steel will be in scope of contractor. You will receive, unload and store the same properly in your stores at your cost within quoted unit rates. Reconciliation Statement of cement and steel clearly indicating consumption/ balance stock will be furnished with all running bills raised by you.

The Contractor should make his own arrangement to obtain all materials required for the work including Cement, Reinforcing steel & Structural steel.

Test Certificate for all materials shall be submitted to the consultant/owner for review and approval, prior to use of procured material.

The basic rate for the materials delivered at site is as under without GST and the variation with actual purchase rates shall be reimbursed at actual. The contractor shall take consent of Owner/ Consultant before purchase of these items.

Material	:	Basic rate
Cement	:	260/- per bag
Reinforcement Steel	:	55,000/- per MT
Structural Steel	:	55,000/- per MT

Before procurement of material approval of rate shall be taken by contractor. Contractor to submit the quotation directly from Manufacturer ONLY. Quotation of Traders/Dealers Shall NOT be Acceptable. Contractor shall submit minimum 3 (three) quotation of supplier for approval of rate. The differential cost due to difference the approved actual rate and basic rate of the material on the either side (higher /lower) shall be adjusted by the owner.

You will build a cement godown to store approx. 3000 bags of cement near to work site at your cost within quoted rates. The cement godown construction shall be approved by our Consultant/Resident Manager/Engineer.

You shall be responsible for safety, security, accounting and reconciliation of all



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the items. Necessary watch and ward, stores bin cards, books etc. shall be organised and maintained by you at your cost.

It is specifically agreed that in addition to all consumable like Sand, Bricks, Stone chips etc. & also the following materials is included in your supply within the quoted rates.

- WATERPROOFING MATERIAL
- ANTISHRINK GROUT
- PLASTICIZER
- IMPREGNATED FIBER BOARD
- WHITE CEMENT (IF ANY)
- FLOORING MATERIALS (IF ANY)
- CEMENT FOR SITE OFFICE & GODOWN CONSTRUCTION

11. Water, Electricity & Land for Labour Colony:

- a. Water required for construction of Civil Works at site shall be Provided by the Owner. Pumping, lifting & distribution of water at the Site shall be the Contractor's obligation, at the Contractor's cost, with no extra cost to the Owner.
- b. Electric Power required for construction work shall be Provided by Owner at one point on Chargeable Basis. Further distribution is in Contractor's scope at no extra cost to the Owner. The Contractor also shall take due precautions to keep the Electrical points, Switch Boxes etc. safe and free from water. All safety precautions shall be taken as per HSE requirement of owner.
- c. Open Land for Reinforcement yard, Shuttering yard, Fabrication yard, Site office, Stores shall be provided by the Owner at the Site free of cost. Contractor shall, however be responsible for building a temporary structure at his own cost and shall be removed after completion of works.
- d. Land for labour colony **shall be made** available at the Site. The Contractor shall at his own cost, make arrangements for a labour camp / colony and shall also maintain the same at his own cost which shall be removed by the Specified Completion Date. Hygienic Condition shall be maintained at labour colony and same shall be inspected by client/site in charge once in a week. Quoted rates are deemed to be inclusive of such expenses and related incidental expenses.
- e. Contractor has to comply HSE requirement as per **Varahamurti Flexirub Industries Pvt. Ltd. Inc.**



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12. Statutory Obligations :

- a. You will be responsible to observe all the statutory obligations and other regulations stipulated under the Contract Labourers Act/ID Act/Minimum wages Act in respect of all the persons engaged to you for your work.
- b. The safety provisions specified in the Factory act 1948 are applicable to you and you are liable for their implementation. You shall strictly adhere to all safety norms and you have to nominate a representative exclusively to take care of safety.
- c. The period of sickness of your workmen will be covered under the relevant labours law.
- d. You will maintain all the registers and documents pertaining to the labour engaged as required under the Statutory Regulations and also make the register/documents available for our scrutiny when desired by us.
- e. You will arrange to settle all the labour disputes of your workmen with the Government Labour Authorities, if and when such a situation arises.
- f. In case we desire, all payments to your workmen shall be made in the presence of our representative and you will also arrange to provide us with the labour wage sheets or other documents as and when required.
- g. You will take care of all the statutory obligations, viz. ESI & PF towards your employees and any taxes concerning your employees levied by the State Government and to give evidence of payments on monthly basis to us or in case of your failure to do so we will deduct the same and pay on your behalf to State Government.
- h. You will negotiate and settle and all the claims of your workmen, viz. Bonus/ex-gratia etc. at your cost.
- i. You shall take a license as required under the Contract Labour Act to cover all the workmen engaged directly or through sub-contractors at our site and submit a copy to us before commencement of work.
- j. In the event of any lapse on your part in the fulfillment of the statutory obligations, consequent to which we shall be required to pay any damages or penalty to the authorities, such expenses shall be fully recovered from the amounts due to you.
- k. You shall take Insurance Policy for Workmen's Compensation of appropriate value and Contractor's All Risk (CAR) policy for INR 4,13,61,460/- (**Rupees Four Crore Thirteen Lacs Sixty One Thousand Four Hundred Sixty Only**). You shall submit copies of these policies prior to commencement of work.



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- I. Contractor to provide Provident Fund paid certificate to Varahamurti Flexirub Industries Pvt. Ltd. Inc.

13. General:

- a. You shall employ experienced and qualified persons to supervise, look after, execute, carryout and complete the work hereby awarded to you.
- b. Field Test Laboratory will be established by you immediately.
- c. No price escalation will be considered and the contract is firm price contract.
- d. All tools & plant and machinery brought to site shall be in perfect working order and preferably relatively in new condition (in no case older than three years).
- e. In case of any sub-contractor being appointed by you for any specific work or works, the same shall be subject to Owner's approval. However, this shall not relieve you for your responsibilities/obligations under "STATUTORY OBLIGATIONS" mentioned above.
- f. Royalty clearance from competent authority for Earth / Sand / Stone Chips etc. shall be arranged by you. Wherever required you would handover to us. "No Objection Certificate or full payment of Royalty Certificate "in original from competent authority.
- g. Your quoted price included your liability for making temporary approach road upto site and within Site for smooth working during all seasons.
- h. Mobilization period is **7 (Seven)** days from the date of issuance of letter of Award. In case if you are unable to mobilize/progress to the satisfaction of our Consulting Engineers with adequate plant and machinery/ tools and tackles/ labor/ skilled/ semi-skilled personnel's, we shall be free to replenish/ augment at your cost. Also if required contract may be terminated for non-performance at our discretion. You shall not be entitled for any compensation whatsoever, in any of the above circumstances.

The Contractor shall furnish within 15 days of letter of award Bar chart showing the mile stone and critical path for completion of work within the stipulated time and as per conditions of the contract. The program should clearly include Manpower, Material and Machinery resources proposed to be deployed for achieving the targeted progress, justification for same based on machinery output, the date from which each machinery shall be available at site in working condition etc. complete. The program shall be subject to the approval of Engineer-in-Charge who may order changes in the programmed. The decision of Engineer-in-Charge shall be final and binding in this regard.

Following instruments and testing equipments shall be made available on site till completion of work:



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Concrete mini batching plant with capacity 10 Cum per hour, Two- transit mixers, Concrete pump, Total station with operator, Theodolite, Dumpy level, Measuring tapes, Cube Mould, PH meter, Slump Cone, Core cutter, Weighing machine / instruments and field testing equipments etc.

All above equipment shall be with valid calibration certificate or recently calibrated one and copy of same to be submitted to the owner / Engineer-In-charge.

Mobilization shall be considered complete only after the equipment listed above alongwith Engineering and Supervisory staff is made available at site.

- i. Third party insurance to be covered by you till completion of work and handing over to us/our Consulting Engineers. You will have to report regarding any damage / theft etc. within 2 days of occurrence of event including lodging of FIR with police.
- j. You will furnish list of minimum manpower and machinery which will be available at site of work throughout contract period. The same shall be increased to suit completion schedule as and when required without any extra cost.
- k. Labour license will be taken in your name & all formalities & maintenance of record will be your's responsibility.

14. Specific fundamental requirement :-

You shall make yourself fully conversant with our rules, regulations, orders, prohibitions, and ground rules in force from time to time in respect of discipline, entry into, exit from and of working within our site and will ensure and enforce their strict observance and adherence by you and your employees, labourers, agents and sub-contractors. In case of any breach of or failure to observe or adhere to any such rules, regulations, orders, prohibitions or ground rules, we shall be entitled to take such disciplinary or other action as we may deem necessary, fit or proper and you will liable for any loss, damage or injury caused as a result of such breach or failure.

Before starting the site the following document shall be submitted to consultant's office and site manager.

- a) License under Contract Labour act or proof of application for the same.
- b) Workman Compensation policy.
- c) Contractor's all Risk policy.
- d) BOCW charges shall be paid by client only.



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- e) Copy of registration under building and contract labour with D.I.S.H. (Directorate Industrial Safety & Health).

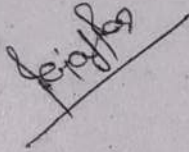
The contractor will be solely responsible in case of non compliance of above laws and regulation or any other statutory requirement.

Kindly return the duplicate copy of this Letter of Award duly signed as a token of your acceptance.

Thanking you,

Yours faithfully,

Varahamurti Flexirub Industries Pvt. Ltd. Inc.



Encl: 1) Annexure-01 (Schedule of Quantities).