

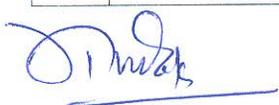
Minutes of Pre-bid meeting held on 21.01.2015 at 14:30 Hrs for the tender for capital dredging, excavation and formation of the bank with the excavated material after leveling etc in South Buckingham Canal of NW-4 for the stretch between Shollinganallur and Kalpakkam Tamil Nadu.

1. The pre-bid meeting was conducted by TEC (Technical Evaluation Committee) on 21/01/2015 in the presence of the representatives of the prospective bidders. The list of the participants is attached as Annex- I.

2. At the outset, Member (Finance) being Chairman of TEC welcomed all the representatives of the prospective bidders and after a brief introduction on the tender given by chief Engineer (P&M), the queries as raised were discussed and the clarification of IWAI on the same are as given below :-

Sl. No.	Refer Clause/ Page No.	Query	Clarification
1.	Clause - 5 Qualification criteria sub clause -- iii (Page . 5)	The bidders requested that eligibility criteria mentioned below need to be reviewed due to the possible typographical error. a) Three similar completed works costing not less than the amount equal to 80% of estimated cost of schedules quoted OR b) Two similar completed works costing not less than the amount equal to 50% of estimated cost of schedules quoted OR c) One similar completed work costing not less than the amount equal to 40% of estimated cost of schedules quoted	On review, now the final eligibility criteria shall be as below :- a) Three similar completed works costing not less than the amount equal to 40% of estimated cost of schedules quoted OR b) Two similar completed works costing not less than the amount equal to 50% of estimated cost of schedules quoted OR c) One similar completed work costing not less than the amount equal to 80% of estimated cost of schedules quoted
2.	Clause - 5 Qualification criteria sub clause -- x (Page . 5)	Few bidders requested to reduce the solvency requirement of 40% of the estimated cost.	The solvency requirement as per CVC guidelines is 40% of the estimated cost of the schedule/(s) quoted by the bidders and accordingly same requirement is to be complied.
3.	Clause - 5 sub clause- xii (Page . 5)	Request was made by few bidders for accepting the EMD through Bank Guarantee (BG) only and not partly by BG and partly by DD/Cash.	It was clarified that the requirement on the submission on EMD being as per the latest guidelines of CVC, the requirement as in the tender is to be complied.
4.	Clause - 8	Request was made for sharing the	As per tender condition, the

	(Page . 6)	information on pre tender survey, assessment of actual site condition, dumping area, problems/issues on dredging operation/dumping if available with IWAI.	bidders are required to inspect the site and assess the site condition, issues/problems to be encountered during dredging and dumping by themselves..
5.	Clause - 9(e) (Page 12)	Request was also made to allow the bidders to participate through JV/consortium basis.	The relevant clause for participating through JV/consortium basis is attached as Annex-II
6.	-	All the bidders enquired with regard to provision on reimbursement on account of escalation in the cost of the Diesel during the contract period.	A relevant clause on the reimbursement or otherwise due to escalation or reduction on cost of the Diesel is attached as Annex-III
7.	Clause no. 4.4. (Page 75)	The bidders requested that the problems and issues effecting the smooth dredging operation and dumping of the soil at suitable area should be sorted out by IWAI.	It is clarified that the bidders shall be responsible for sorting out all the problems and issues during dredging operation and dumping of the soil. IWAI, however, wherever feasible, shall take up the issues with concerned Department/Agency of State Govt. for assistance in this regard.
8.	NIT – Critical dates	With regard to the revised date of bid submission, request by the bidders was made to extend the same by at least 30 days from the date of issue of the minute of pre-bid meeting and arrangement for visit of the site jointly.	The site visit by the prospective bidders, if desired, can be arranged on 10/02/2015 at Chennai. Shri. T.V. Prasad, officer in-charge of IWAI office at Chennai may be contacted on mobile no. 09952974150. The revised last date of bid submissions shall be on 27/02/2015 upto 17.00 hours. The bids will be opened for evaluation on 02/03/2015 at 11.30 hours
9.	Clause- 4.1(p) (Page.10)	The typographical error of the clause no. 21 for “Qualification, information, supporting documents, affidavit and undertaking” need to be clarified.	It is clarified that clause – 21 shall be read as clause – 20 for “Qualification, information, supporting documents, affidavit and undertaking”
10.	Clause - 3 (Page 4)	The bidders enquired whether the cost of the tender document for Rs. 5000/- for each schedule to be submitted separately or otherwise. Similarly whether the tender document also to be submitted separately for each schedule.	It is clarified that this being a single tender with three schedules, the bidder is eligible to submit only one technical bid for one or more than one schedule. However, the price bid for each schedule shall be submitted separately. Similarly the cost of the tender is Rs. 5000/- only irrespective of





			bidding number of schedule(s). The copy of the DD for cost of the tender is to be uploaded with the bid. The original DD is to be submitted to IWAI by courier/post/person along with the signed hard copy of tender document uploaded to reach on or before the last date of submission of the bids..
11.	Sub clause (xi)(Page 29)	Please clarify whether the table is to be left blank by the bidder.	To be filled up as per relevance, and taking into consideration of clause 5.4(Page 77)
12.	Clause - 27 (Page . 15)	The bidders enquired that whether validity of the bid(s) shall be 120 days or 180 days as mentioned in different clauses.	It is clarified that validity of the bid(s) shall be only 120 days from the date of opening of the technical bids.
13.	Clause - 5 (Page 45)	Few bidders enquired on the sufficiency of the tender that bidders may depend on the information and details provided by the IWAI. Accordingly IWAI shall be responsible for the accuracy of the information, and whereas the bidders shall be responsible for interpretation.	It is clarified that IWAI as for as feasible shall make the efforts for providing the correct information. However, the bidders are responsible for verifying the same and collect the required further information through their own source/(s) for success of the project.
14.	Clause – 12 (Page 48)	Request was made to increase the period reasonably on the Commencement of the work in place of 15 days existing from the date of issue of letter of award	The commencement of the work at the respective stretches shall be now 30 days from the date of signing of agreement which is to be signed within 15 days of issue of letter of award.
15.	Clause - 27.2 (Page 57)	The request of the bidder for deleting the clause 27.2 as the force majeure shall qualify the extension of time.	It was not agreed to.
16.	Clause - 28 (Page 57)	Request was made for (a) Providing the drawing indicating the hindrances, under water cables, drains etc. existing in the dredging site and (b) Mentioning the right of way to access the dredging area	The bidders shall be responsible for finding out the hindrances and also right of access of the dredging area and accordingly quote for smooth dredging operation. Any delay on account of obstruction covered under force measure clause shall be applicable for delay on account of any genuine obstruction and accordingly extension of time period.
17.	Clause - 35.1 (Page 63)	One of the bidder requested that LD shall be restricted to the amount based on milestones and not on	It is to clarify that LD shall be applicable as per the relevant clause not exceeding 10% of

		yearly basis (yearly 10% LD amount to 50% LD for 5 years)	the tendered value of th work.
18.	Clause - 41 (Page 69)	<p>The bidders requested that IWAI to provide the details of taxes/levies applicable for this works. And further any changes in the tax due to new legislation to be borne by IWAI additionally on actual basis.</p> <p>(i) This contract being a long term contract, tax structures/ tax rates may vary over a period of time. PI. inserts a clause that all statutory variations on account of taxation are on the account of IWAI.</p> <p>(ii) As per clause 41.1, service tax is reimbursable. Therefore, quoted prices are excluding service taxes. This is to be clarified.</p> <p>(iii) Gol is considering levy of GST in near future. How this will be considered, whenever levied, if levied during the tenure of the contract. This also needs clarification.</p>	It is clarified that the tender price shall include all the taxes, levies, duties prevailing for dredging operation except the service tax which is to be reimbursed separately on submission of documentary evidences.
19.	Clause - 43 (Page 69)	Request has been made for settling final payment to the contractor within one month from the date of taking over the Dredging area by IWAI.	Not agreed and same to be as per the tender clause.
20.	Clause - 47.5 (Page 71)	<p>One of the bidder requested that (1) the arbitration fees shall be equally shared by the parties. Arbitration awarded, if deemed required, it may be challenged in courts of law.</p> <p>(2) IWAI to follow arbitration and conciliation 1996 (amended) by formation of 3 arbitrators and sole arbitrator shall not be acceptable.</p> <p>(3) All the decisions of the EIC shall not be final and binding on parties if aggrieved both parties are allowed to invoke arbitration clause.</p> <p>(4) It was also requested for the provision to deploy 3 arbitrator panel instead of sole arbitrator.</p>	Not agreed to the proposal and the arbitration procedures shall be as per the tender clause.
21.	Clause - 49 (Page 72)	It was requested by the bidders that delayed payments caused by IWAI to the contractor shall be entitled for interest on delay payments based on applicable bank prime lending rates @ 3%.	No interest shall be paid due to delayed payment
22.	Clause - 5.5 (Page 77)	It was requested by the bidders that the Contractor may incur huge amount of idle charges and standing cost during the period of suspension for the reasons other than the default	No idle charges shall be paid. Accordingly, the bidders must visit the site and familiarize with the site condition etc and prepare his action plan

		of the contractor. Hence, it was suggested that the Idle Charges shall be paid at quoted rate for the suspension period.	methodology to be adopted for avoiding idle period of dredgers and equipment.
23.		Bidders requested IWAI to specify the lead distance for road transportation of dredged spoil	As per the tender condition the dredge spoil are to be dumped within 500m and accordingly the rate to be quoted and this rate is considered for evaluation. In case of necessity for dumping of spoil beyond 500m the rate for additional distance by pipelines or road transport may be quoted and same be decided mutually by EIC on case to case basis..
24.		Bidders requested IWAI to specify dredger capacity, method of excavation survey equipment specifications (Single beam/multi-beam)etc. (Note: As dredgers vary from mechanical to hydraulic dredgers and the evaluation shall not be possible, fair and uniform if the equipment minimum specification is not mentioned)	Bidders to select the type, capacity/size of the dredgers, excavators and other equipment for deployment depending on the quantity of dredging/excavation, soil & site condition, completion period etc. Accordingly, the bidders are required to furnish the details as per Annexure -6 at Page 37 along with method statement and bar chart.
25.		Bidders requested IWAI to confirm that whether the material to be dredged, consists only soft, coarse/pebbles and boulders and not stiff clay and rock outcrops and the procedure to be followed in case hard patches encountered.	Bidders are requested to refer clause no. 4.1 & 4.2 (Page 75) with regard to the procedure to be followed for dredging of hard patches.
26.		Bidders requested IWAI to provide the historical data pertaining to floods, flash floods, carrying capacity of the canal, the hydraulic information such as velocity of the currents	Bidders are to collect the required data by themselves from the concerned Agencies/Departments.
27.		Bidders requested IWAI to make interest free mobilization advance that shall be equally deducted from all the RA Bills.	It is clarified that No interest free mobilization advance shall be paid.
28.	Page 89	One of the bidders pointed out the discrepancy in the estimated quantity in the Price Bid for necessary correction.	The modified BOQ resolving the discrepancy shall be uploaded
29.	Page 6 & 75	Bidders requested that IWAI shall identify the disposal sites. Also requisite permissions/ clearances for dumping the dredged material should be the responsibility of the Authority. The contractor shall assist the	Not agreed. Bidders are responsible identifying the dumping areas, and necessary clearance/permission from concerned



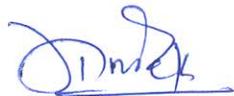




		Authority in their best possible way. However, at no point of time the responsibility should be passed on to the contractor. In case of any delay in the acquisition of the dumping site and its necessary permissions/clearances, the Contractor shall not be held responsible and no liability shall be imposed on such delay.	
30.	Clause - 6 (Page 11)	If the EMD is submitted 100% by DD. Then what about the security deposit retention as stated in the clause. Please clarify.	EMD & SD shall be as per tender conditions
31.	Clause - 3 & 4 (Page 44)	Bidders requested to amend the clause as follows: (1) "The contractor shall be required to deposit an amount equal to 5% of the annual contract value of the work as performance guarantee." (2) Similarly for the security deposit clause, modification to be as follows: ".... amount to security deposit of 5% of the annual contract value of work. Bank guarantee will not be accepted as security deposit"	Not agreed. It will be as per tender clauses.
32.	Clause - 16 (Page 49)	Bidders requested that the terms and conditions (including time and cost) for any additional work should be mutually agreed between the parties as the increase in time and the increase in the additional cost for the additional scope of work may not be in the same proportion.	Not agreed. It will be as per tender clause.
33.	Clause - 33 & 36 (Page 61 & 64)	Bidders requested to delete the clauses 33.2 to 33.7 In this regard that under the above mentioned clauses the liability of the contractor is unlimited. Therefore there is a mis-match in the revenue and liability under the contract. Bidder requested the following: 1) The overall liability of the contractor under this contract shall not exceed 10% of the annual contract value. 2) In case of default by the contractor during the currency of the contract, the contractor should be given 30 days of cure period as the mentioned 7 days time period not sufficient for the dredging operations. Further, the contractor is liable to complete the work within the	Not agreed. It will be as per tender clauses.

		stipulated time period. Therefore we request you to amend/ delete the clauses 33.2 to 33.7 and Clause No. 36	
34.	Clause - 3 (Page 9)	Bidders requested that whether the work for Schedule A, Schedule B and Schedule C has to be carried out simultaneously or the Contractor can take up work of the next Schedule after completion of one schedule. Thus the total contract period shall be 24 months + 24 months + 24 months (excluding monsoon period) = 6 years (excluding monsoon period)	Work for all three schedules to be executed simultaneously and to be completed within the period of 24 months(excluding monsoon period).
35.	Clause - 8.3 (Page 47)	This clause can only be exercised in case of construction contract. Kindly appreciate in case of dredging contract, once the work has been approved by the representative of the Engineer-in-charge or the Engineer – in- charge, the same cannot be disapproved at a later stage as the work will be subject to siltation. The Contractor shall be responsible to achieve the desired depth however, the same will be subject to siltation and thus cannot be disapproved at a later stage in whatever circumstances	The contractor shall be responsible for a stretch with regard to dredging and maintaining the channel of desired dimension/depth till the completion of post dredging survey and acceptance of the chart by EIC.(Engineer- in- charge)
36.		Permission from Mining and Geology Department & State Pollution control board to be obtained by IWAI	Co-operation and assistance from State Govt., Permission from Mining and Geology Department & State Pollution control board to be obtained by IWAI
37.		One of the bidders requested whether Methodology adopted for opening of sea mouth to be submitted during bidding process.	Method statement for opening of sea mouth is to be submitted by the bidders along with the bid and same to be implemented if found feasible.
38		One of the bidders requested that whether a subsidiary company of a foreign based company shall be eligible for participating in the tender based on the credentials and financial performance of parent foreign company.	Refer JV/consortium Clause For evaluation the rate of Foreign Exchange prevailing on the date of submission of bids as per the RBI guidelines shall be considered. However, the tender cost, EMD, Security Deposit and price bids to be quoted in the Indian Rupees only and payment to be also in India Rupees.
39	Clause - 5.4 (Page – 77)	In order to review the progress of dredging periodically and monitoring the same with a penalty the matter	Clause no. 5.4 of Technical Specification and Special Conditions of the Contract

		<p>was discussed and the clause 5.4(Page.77) was further amended.</p>	<p>Will replace with “The contractor shall dredge every quarter of three months for a minimum of 90000 cum quantity of dredging awarded to him, as per the implementation schedule, failing which the contract is liable to be imposed LD @ 1.5% per month on the value of 90000 cum based on the contract rate (to be computed on per day basis) In case the Contractor delays by more than once, LD will be applied @ 1.5% on the whole contract value per month to be computed on per day basis as per LD clause No. 35.”</p>
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(S. Dandapat)
 Chief Engineer (P&M)



(R.P. Khare)
 Member (Technical)



(Pravir Pandey)
 Member (Finance)

Annexure-I

List of Participants in the Pre-bid meeting held on 21.01.2015 for the tender for capital dredging, excavation and formation of the bank with the excavated material after leveling etc in South Buckingham Canal of NW-4 for the stretch between Shollinganallur and Kalpakkam Tamil Nadu

1. IWAI (Inland Waterways Authority of India):

- (i) Sh. Pravir Pandey, Member(Finance), Chairman of TEC
- (ii) Sh. R.P. Khare, Member(Technical), Member of TEC
- (iii) Sh. S. Dandapat, Chief Engineer(P&M), Member of TEC
- (iv) Sh. Vijay C Dialani, Deputy Director
- (v) Sh. A.K. Gupta, Chief Accounts Officer(i/c)
- (vi) Sh. P.Srinivasa, Asst. Hydrographic Surveyor
- (vii) Sh. A.R. Ghatak, Consultant.

2. Prospective bidders:

Sl. No.	Representative	Firm/Bidder
1.	Shri B. Vinay Kumar	M/S Yojaka India Pvt. Ltd
2.	Shri J. Ramamoorthy	M/S Hindustan Shipping Tech
3.	Shri CR Sundaram	M/S RRR Construction
4.	Shr B.Venkata Reddy	M/S Salient Projects Pvt. Ltd
5.	Shri J A Raj and Shri K.Srinivasan	M/S Dharsan Dredging and Construction
6.	Shri A.K.Ghosh	M/S Dharti Dredging and Company Ltd
7.	Shri Kartikeya Reddy	M/S Madhava Marine Works Pvt. Ltd.
8.	Shri Uttam Singh Bisht	M/S Safeway Dredging Enterprises
9.	Shri Anshuman Dubey	M/S Chinar Shipping
10	Shri K.Nagendra Prasad	M/S Akash Dredging & Marine Services
11	Major MVC Rao	M/S PVR Projects Ltd.
12	Shri Karthikeyan. P	M/S RPP Infra Projects Limited
13	Capt. P.K.Kapoor	M/S IMS
14	Shri Bikramjit Sen Gupta	M/S Reach Dredging Limited
15	Shri Mahesh Zogade	M/S National Marine & Infrastructure (I) Pvt. Ltd.

Additional Tender condition for participation through JV(Joint Venture) or Consortium basis

1. Bidder shall be either single dredging firm or Joint Venture (JV) or an Indian lead firm supported by another firm (s) (Indian or Foreign). However proof of forming JV on a non-judicial stamp paper of Rs100/- / Authorization letters of supporting firm (s) should be submitted at the time of submission of bid. However, the successful bidder is required to submit proof of registration of JV before award of work. Experience of individual firm of the JV will also be considered for evaluation.

JV/Consortium may have 2 or more partners. The lead partner should have maximum equity participation. If a Bidder constitutes (under applicable laws) a joint venture they shall submit and comply with the following requirements:-

- a) There shall be a Joint Venture Agreement specific for the contract between the constituent firms, indicating clearly, amongst other things, the proposed distribution of responsibilities both financial as well as technical for execution of the work amongst them. For the purpose of this clause, the most experienced lead partner will be the one defined. A copy of the Joint Venture agreement in accordance with requirements mentioned shall be submitted along with the bid.
- b) The bid, and in the case of the successful bidder, the Form of Agreement, etc., shall be signed and/ or executed in such a manner as may be required for making it legally binding on all partners (including operative parts of the ensuing Contract in respect of Agreement of Arbitration, etc.). On award of work, the Form of Agreement and Contract Documents shall be signed by all partners of the Joint Venture to conclude Contract Agreement.
- c) Lead partner shall be nominated as being partner-in- charge; and this authorization shall be evidenced by submitting a power of attorney, duly notarized, signed by the legally authorized signatories of all the partners.
- d) The partner-in-charge shall be authorized to incur liabilities and to receive instructions for and on behalf of the partners of the Joint Venture, whether jointly or severally, and entire execution of the Contract (including payment) shall be carried out exclusively through the partner-in-charge. A copy of the said authorization shall be furnished in this Bid.
- e) All partners of the Joint Venture shall be liable jointly and severally for the execution of the Contract in accordance with the Contract terms, and a relevant statement to this effect shall be included in the authorization mentioned under sub clause (c) above as well as in the Form of Bid and the Form of Agreement (in case of a successful bidder).
- f) In the event of default by any partner, in the execution of his part of the Contract, the Employer shall be so notified within 30 days by the partner-in-charge, or in the case of the partner-in-charge being the defaulter, by the partner nominated as partner-in-charge of the remaining Joint Venture. The partner-in-charge shall, within 60 days of the said notice, assign the work of the defaulting partner to any other equally competent party acceptable to the Employer to ensure the execution of that part of the Contract, as envisaged at the time of bid. Failure to comply with the above provisions will make the Contractor liable for action by the Employer under the Conditions of Contract. If the Most Experienced i.e. Lead Partner defined as such in the Communication approving the qualification defaults, it shall be construed as default of the Contractor and Employer will take action under the Conditions of Contract.

- g) Notwithstanding the permission to assigning the responsibilities of the defaulting partner to any other equally competent party acceptable to the Employer as mentioned in sub clause (f) above, all the partners of the Joint Venture will retain the full and undivided responsibility for the performance of their obligations under the Contract and/ or for satisfactory completion of the Works.
- h) The bid submitted shall include all the relevant information as required and furnished separately for each partner of the Joint Venture.

2 In case the Bidder is a Consortium, it shall comply with the following additional requirements:

- (a) Number of members in a consortium shall not exceed 2 (two);
- (b) The proposal should contain the information required for each member of the Consortium;
- (c) Members of the Consortium shall nominate one member as the lead member (the "Lead Member"), who shall have an equity share holding of at least 51% (fifty one per cent) of the paid up and subscribed equity of the Dredging Contractor during the License Period. The nomination(s) shall be supported by a Power of Attorney, as per the format, signed by all the other members of the Consortium;
- (d) The Proposal should include a brief description of the roles and responsibilities of individual members, particularly with reference to financial and technical obligations;
- (e) The members of a Consortium shall incorporate a special purpose vehicle as Dredging Contractor under the provisions of Companies Act, 1956, (as their wholly owned subsidiary) to execute the Project, if awarded to the Consortium;
- (f) Members of the Consortium shall enter into a binding Joint Bidding Agreement, for the purpose of making the Proposal. The Jt. Bidding Agreement, to be submitted along with the Proposal, shall, inter alia
 - (i) Convey the intent to form with shareholding/ ownership equity commitment(s) in accordance with this TENDER, which would enter into the Dredging Contract and subsequently perform all the obligations of the bidder in terms of the Contract,
 - (ii) Clearly outline the proposed roles and responsibilities of each member;
 - (iii) Commit that in case such consortium of entities is the Preferred Bidder, the Preferred Bidder shall incorporate a wholly owned special purpose company under the provisions of Indian Companies Act, 1956, as the Dredging Contractor; in whose subscribed and paid up capital, the Preferred Bidder shall collectively hold 100% equity during the License Period.
 - (iv) The Lead Member of such Preferred Bidder consortium shall at all time during the License Period hold equity equivalent to at least 51% of the subscribed and paid up capital of the Dredging Contractor. Further, other consortium members whose technical/financial eligibility shall have been used for the purpose of qualification under this TENDER shall hold at least 26% equity in the subscribed and paid up capital of Dredging Contractor/operator during the License Period; Provided however that Authority may in its sole and absolute discretion permit a consortium member to divest [in full/partially] its equity shareholding in the subscribed and paid up capital of the Dredging Contractor.
 - (v) Include a statement to the effect that all members of the Consortium shall be liable jointly and severally for all obligations of the Bidder consortium in relation to the Project until the expiry of the contract.



- (vi) Statement of Legal Capacity ;
- (vii) Copy of Memorandum and Articles of Association of the both members of the Consortium;
- (viii) Providing summary of Financial capacity of the Bidder.
- (g) Except as provided under this TENDER and the Bidding Documents, there shall not be any amendment to the Jt. Bidding Agreement without the prior written consent of the Authority.
- (h) No change in the composition of a Consortium will be permitted by the Authority during the Bidding process
- (i) In computing the Technical Capacity and Financial Capacity of the Bidder/ Consortium Members, the Technical Capacity and Financial Capacity of their respective Associates would also be eligible as per the terms hereunder.

3 If the Bidder is a public listed company, it shall submit a copy of its Annual Financial statements for the last 3 (three) financial years preceding the Proposal Due Date clearly setting out the relationship of Associates with the entity whose technical/financial capacity is relied upon. In case a bidder [other than a public listed company], relies on the eligibility capacity of its Associates, they shall be required to submit a Certificate from their respective statutory auditors stating that the entity whose Technical/Financial Capacity is considered for the purposes of this TENDER and the Bidder are Associates in terms hereof. In case the experience of Associate is claimed by a Bidder, the Bidder shall ensure that such entity continues to remain its Associate through the term of Contract.

4 For purposes of this TENDER, Associate means, in relation to the Bidder/ Consortium Member, a person who controls, is controlled by, or is under the common control with such Bidder/ Consortium Member (the "Associate"). As used in this definition, the expression "control" means, with respect to a person which is a company or corporation, the ownership, directly or indirectly, of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the management and policies of such person by operation of law.



**Additional Tender condition for adjustment of rate (contract Price)
due to variation of the cost of Diesel**

1.0. The contract price will be subjected to adjustment on account of variation of price of diesel more than 10% of the price prevailing on the date of opening of the bid according to the formula given below:

$$V = \frac{(P-P_0) \times R \times Q}{P_0}$$

Where

V - Variation in Price on account of diesel during the month under consideration.

P₀ - Price of diesel in the concerned at Chennai & Chennai sub-urban, at the time of opening of the tender with 10% escalation if the work is awarded within the validity period of 120 days to bidders. Date of award will be considered in case award of work is delayed beyond the validity period.

P - Price of diesel for the month under consideration.

Q - Diesel element factor in the unit rate which should be 0.3

R - Value of the work during the month under consideration as per relevant item of Bill of Quantities.

2.0 No escalation on any other account will be payable by the IWAI and the rate should be quoted accordingly.

