



Office of the  
Chief Administrative Officer  
(Construction)  
South Central Railway  
Secunderabad-500 071

No.W.CON.496/A/G/5432/WC.3

Date:11-07-2011.

**M/s.Sri Avantika Contractors (I) Ltd.,  
610-B, Nilgiri Block,  
Aditya Enclave,  
Ameerpet,  
Hyderabad – 500 038.**

Sir(s),

Sub: Construction of new BG line from Nandyal to Yerraguntla stations - Earth work in formation, Construction of minor bridges, Construction of new Station building, Relay, Battery, Generator, Equipment rooms, Cover over platforms, FOB, platforms, drains and circulating area at Madduru station and execution of miscellaneous works from Chainage 0.00m to 15000.00m. between Nandyal and Madduru stations - **Reach-41.**

Tender Notice No. 8/CAO/C/SC/2011 dated: 28.02.2011 (**Item No.2**) opened on 05-04-2011.

Ref: Your offer dated 04-04-2011.

\*\*\*\*\*

**Your offer submitted on 05-04-2011 in connection with the subject work has been accepted by the competent authority at a total value of ₹.33,41,84,221.34 ps (₹ Thirty Three Crores, Forty One Lakhs, Eighty Four Thousand, Two Hundred Twenty One and Paise Thirty Four only) with rates quoted for different schedules as given under:**

Schedule	Face value in ₹.	Accepted Rate & Value	
		% Rate	Value in ₹.
Sch-A (Earth work items)	<b>214405585.00</b>	(-)16%	<b>180100691.40</b>
Sch-B (Concrete items)	<b>52377857.25</b>	(+)2%	<b>53425414.40</b>
Sch-C (Concrete item)	<b>11590749.00</b>	At par	<b>11590749.00</b>
Sch-D (Concrete & Misc.item)	<b>3020320.50</b>	(+)3%	<b>3110930.12</b>
Sch-E (Supply of Steel)	<b>25907300.00</b>	At par	<b>25907300.00</b>
Sch-F (SSR Cement)	<b>23688000.00</b>	(+)80%	<b>42638400.00</b>
Sch-G (SSR items)	<b>2687942.20</b>	(+)10%	<b>2956736.42</b>
Sch-H (RMC)	<b>14454000.00</b>	At par	<b>14454000.00</b>
	<b>348131753.95</b>		<b>334184221.34</b>

2. Please note that all the works included in this contract shall be completed within the period of **10 (TEN) months** (including intervening monsoon period) from the date of issue of this acceptance letter as per the **TIME FRAME/ MILE STONES** chart stipulated in the tender document, which is agreed/signed by you. Further, you are expected to adhere to the progress of work as per the above mentioned **TIME FRAME/ MILE STONES** chart (copy enclosed). In case you fail, in achieving the first 2 mile – stones, the contract would be liable for termination under clause 62 of the GCC.

3. Please also note that an amount of **₹.1,67,09,220/-** (i.e., 5 % of contract value) is payable towards **Performance Guarantee** for the due and faithful fulfillment of the work. The said Performance Guarantee (PG) shall be furnished within 30 (thirty) days from the date of issue of this Letter of Acceptance (LOA). The authority who has signed the contract agreement (LOA) may grant extension of time for submission of P.G beyond 30 (thirty) days and upto 60 (sixty) days from the date of issue of LOA if so required. However, a penal interest of 15% p.a. shall be charged for the delay beyond 30 (thirty) days, i.e., from 31<sup>st</sup> day after the date of issue of LOA. In case, you fail to submit the requisite P.G even after 60 (sixty) days from the date of issue of LOA, the contract shall be terminated duly forfeiting EMD and other dues, if any payable against the contract and you shall be debarred from

**Acceptance of 08/CAO/C/SC/2011, DT:28.02.2011(ITEM-2)**

: 2 :

Participating in re-tendering for the work. The above said Performance Guarantee shall be furnished either in cash **or** Irrevocable Bank Guarantee **or** Government Securities including State Loan Bonds at 5 percent below the market value **or** Deposit receipts, pay orders, demand drafts and Guarantee Bonds.(these forms of Performance Guarantee could be either of the State Bank of India or any of the Nationalized Banks)**or** Guarantee Bonds executed or Deposits receipts tendered by all Scheduled Banks **or** a Deposit in the Post Office Savings Bank **or** a deposit in the National Savings Certificates **or** Twelve years National Defence Certificates. **or** Ten years Defence Deposits **or** National Defence Bonds **or** Unit Trust Certificates at 5% below market value or at the face value whichever is less **or** Fixed Deposit Receipt drawn in favour FA & CAO/C/SCRly/Secunderabad.

3.1 The Performance Guarantee shall be released only after physical completion of work based on the 'Completion Certificate' issued by the competent authority stating that the work has been completed by you in all respects satisfactorily.

4. If you are interested to furnish the Performance Guarantee as called for in para No.3 above in cash the same shall be lodged with the chief cashier/SCRly/sec;bad and money receipt issued by him on this account should be forwarded to this office,so that arrangements will be made for execution of necessary agreement.

5. In addition to the above, **an amount of ₹.1,67,09,220/- (is also payable towards full Security Deposit for the due and faithful fulfillment of the work.** The EMD amount furnished along with your offer in the form of T.D No. 32309105725 dt.05-04-2011 for **₹.18,90,660/- issued by ING Vysya Bank, Ameerpet Branch, Hyderabad is adjusted towards part security deposit and the balance Security Deposit amount of ₹ 1,48,18,560/- will be recovered from your running bills at the rate of 10 % till the balance S.D amount is fully recovered.** The security deposit shall be released only after the expiry of the maintenance period and after passing the final bill based on an '**Unconditional and Unequivocal No Claim Certificate**' submitted by you.

6. Please note that no interest will be payable on the Security Deposit/Performance Guarantee. But the Govt. Securities detailed above will be payable with interest accrued thereon, if they carry any interest.

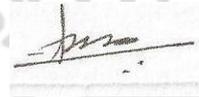
7. **In case of variation over and above agreement quantities at any stage, are required to be carried out only with specific written approval of the Competent Authority before executing the work.**

8. It may please be noted that until a formal agreement is executed, this acceptance letter shall constitute a binding contract between you and the Railway subject to modification as may be mutually agreed to. The agreement for this work should be executed within 7(Seven) days from the date of receipt of notice from this office that such documents are ready, failing which action will be taken in terms of Clause12 of the regulations of tenders and Contracts without prejudice to any further right or remedies.

Encl: One

**Please acknowledge the receipt.**

Yours faithfully,



**( K.V.Sivaprasad )**  
**Chief Engineer/C-III/SC,**  
**for & on behalf of President of India.**

Copy to:

1. **FA & CAO/C/SC** for information together with copy of TCP. (Encl: one).
2. **DY.CE/C/HX** for information and necessary action together with a copy of TCP. (Encl:One).
3. Labour Enforcement Officer (Central), Rly.Qtr.No.533, Opp: Railway High School, Guntakal -515 801 for information.
- 4.. Chief Cashier/SCR/Secunderabad for information.

**for Chief Admin. Officer/Con/SC**