

AND

M/s. KSR Constructions, a Company Registered under Companies Act, 1956 dealing with Mining business and having its place of business at H.No.2-10 240C, Bhagyanagar, Karimnagar-505001 in the State of Telangana, represented by its Managing Partner, Kondapally Venkateshwar Rao hereinafter referred to as “ **CONTRACTOR** ” (which expression shall, unless excluded or repugnant to the context or the meaning thereof, be deemed to include its successors and permitted assigns).

WHEREAS, TSMDC has accepted the tender submitted by the CONTRACTOR, who quoted Rs. **72.76** per **MT** of sand and who emerged as successful Bidder as per the lots drawn out of **Twenty Two (22)** bidders quoted the same rate for de-siltation of sand from Utoor Village-II Sand reach 11,52,000 MT from upstream of Check dam on Manair River at Utoor Village-II Block-II Village of Manakondur Mandal of Karimnagar District and transport the same quantity of sand to nearby Stockyard (Bidder has to identify Stock yard near to motorable road) and again loading of sand into the Lorries at Stockyard at Utoor Village of Manakondur Mandal of Karimnagar District. TSMDC issued the letter of intent to Contractor vide Lr. No. TSMDC/GM(S&M)/DES/ KNR/Utoor Village-II / 2022/700, dt. 07.11.2022, for execution of Agreement for de-siltation of sand from Utoor Village-II Block-II Village of Manakondur Mandal of Karimnagar District and transport the same quantity of sand to nearby Stockyard (Bidder has to identify Stock yard near to motorable road) and again loading of the same sand into the Lorries at Stockyard at upstream of Check dam on Manair River at Utoor Village-II Village of Manakondur Mandal of Karimnagar District of Telangana State for a period of **Twelve (12)** months from the date of agreement of this contract.



For M/s. KSR Constructions

 Managing Partner.

AND

WHEREAS in terms of the Tender Document, the Contractor submitted Demand Draft bearing No.005110 dt. 28.09.2022 for Rs.1117440/- drawn on Punjab National Bank, Karimnagar of Telangana State in favor of Telangana State Mineral Development Corporation Limited towards Earnest Money Deposit.

AND

WHEREAS as per the Tender conditions, the Contractor is required to remit 1.5% of the Bided amount (quoted rate of Rs.72.76 X quantity of 11,52,000 MT = 8,38,19,520/-) Rs.**12,57,292.8/-** towards the Security Deposit and an Additional Performance Security Deposit of Rs.**1,11,62,880/-** (11,52,000[Estimated Quantity] X Rs.82.45/- – Rs.72.76/- [Price quoted by the Contractor]). Accordingly, the Contractor submitted Bank Guarantee Documents is issued by Punjab National Bank, Karimnagar Branch, bearing the Bank Guarantee No.**07161ILG012422** Dt. 05.12.2022 for Rs.**12,57,293/-** (Rupees Twelve Lakhs Fifty Seven Thousand Two Hundred and Ninety Three only) towards the Security Deposit and bearing the Bank Guarantee No. **07161ILG012522** Dt. 05.12.2022 for Rs. **1,11,62,880/-** (Rupees One Crore Eleven Lakhs Sixty Two Thousand Eight Hundred and Eighty only) towards Additional Security Deposit covering the Bank Guarantee Period from **05.12.2022 to 04.06.2024** and as mentioned above. (**Confirmation received on 08.12.2022**). The Contractor shall not be entitled to claim interest on EMD. Further 7 1/2 % of the bill amount will be deducted from running bills towards Security Deposit and after successful completion of the contract the 5% will be paid to contractor along with final payment and remaining 2 1/2 along with EMD will be paid after successful hand over of the stockyard in original shape.



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NOW THIS AGREEMENT WITNESS AS FOLLOWS :

1. The words and expressions mentioned in the agreement shall have the same meaning as are respectively assigned to them in the conditions of contract / tender document.
2. The following documents issued for the above work shall be deemed to form part and parcel of this agreement and the same may be read and construed as part of this agreement viz.
 - a) Conditions of Contract,
 - b) Contractor's Bid,
 - c) Priced bill of Quantities,
 - d) Letter of Intent or work order,
 - e) Agreement,

All terms & conditions, all clauses of tender document and all other conditions as mentioned in the above documents have been agreed to by the parties and the same are binding on both the parties.

3. Conditions of contract:

i) Scope of the Work: The Contractor shall de-silt sand 11,52,000 MT from Utoor Village-II Sand Reach from Upstream of Check dam on Manair River at Utoor Village, Manakondur Mandal, Karimnagar District and transport the same quantity of sand to nearby Stockyard (Bidder has to identify Stock yard near to motorable road) and again loading of sand into the Lorries at Stockyard at Utoor Village of Manakondur Mandal of Karimnagar District. The contractor shall extract the sand within the assigned Geo-coordinates as specified in the tender document. The Contractor shall not encroach upon in adjacent areas other than assigned areas. If specified geo-coordinates are violated by the contractor / bidder his agreement will be cancelled without any notice, and the penalty will be levied as deemed fit by the TSMDC.



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ii) Bill of Quantities: The contractor shall submit Bill of quantities which shall contain the quantum of sand de-silted by him and multiplied by the bid amount which is inclusive of all taxes. The Contractor is paid for the quantity of the work done at the rate specified in the Bill of Quantities for each item, and the payment shall be paid to him after sale of sand de-silted by him after verification of online quantity sold by the TSMDC.

iii) Payments: The Payments will be released through Account Payee Cheque / RTGS only. The amount payable to the Contractor shall be as per rates quoted by him / them and shall be finalized by TSMDC, based on transit pass (in MT), which shall be issued at Stockyard on sand dispatches made by TSMDC. Payments shall be adjusted for deductions for advance payments, retention other recoveries in terms of contract & taxes (i.e., Service Tax/GST, Income Tax and all Taxes/Non taxes related to sand mining) to be deducted at source [TDS] as per applicable law. The TSMDC shall pay the Contractor the amounts certified by the Project Officer concerned TSMDC SSMMS. Items of the Works for which no rate or price has been entered in, shall not be paid by the TSMDC and shall be deemed to have been covered by other rates and prices in the Contract.

The Contractor is liable to pay all the taxes at the existing rates and also the taxes levied by Central / State Government from time to time (i.e., Service Tax/GST, Income Tax and all taxes/ Non taxes related to sand mining which are included in the rate).

iv) Period of Contract: This Contract is valid for a period of **Twelve (12)** months from the date of this Agreement.



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v) Safety, Sanitary and Medical Requirements

- a. The contractor and his / their employees shall promptly comply with the safety, sanitary and medical requirements as stated therein prescribed by law, or as may, from time to time be prescribed by the Project Officer to the need that proper work shall be done and that the safety and health of the employees and of the local communicates may be safeguarded by the Contractor. In case such regulations and orders are not observed by the contractor, they may be enforced by the VC&MD / Project Officer at the contractor's expenses the same may be recovered from his payable amount by TSMDC.
- b. The contractor shall issue Identity Card / Gate Passes to all his / their employees (having their photographs). Further, the drivers, once deployed on Heavy Earth Moving Machinery will not be changed without prior permission. Only those drivers shall be allowed who have valid driving license.
- c. The contractor shall be responsible for imparting required Vocational Training and the contractor shall be responsible for the safety of his / their employees in all phases of work and shall provide and enforce the use of such safeguards, safety boots, shine guards, gloves, respirator, safety belts, helmets, goggles and other safety devices as may be required by the regulations for the time being in force. The contractor shall promptly report serious accidents to any of his / their employees to the VC&MD / Project Officer and shall make himself arrangements to render all possible assistance to such employees.



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- d. All portions of the work shall be maintained in a neat, clean and sanitary condition at all times. Toilet facilities shall be provided by the contractor for use of employees on the work.
- e. First Aid facilities and supplies as required by the Regulations for the time being in force shall be kept at the workplace.
- f. All Equipments deployed for the work should have first aid, safety belts, proper lighting front and audio-visual alarm. In addition, reversing of heavy earth moving machinery equipments must be done with one man for signaling. Further, their fitness shall be checked periodically and if found defective, they will be withdrawn immediately. All employees deployed for operation and maintenance of heavy earth moving machinery and other machinery shall be trained as required under Motor Vehicle Transport Rules and shall possess necessary licenses.
- g. The contractor shall provide staff at his own expense for protecting the property from any loss or damage from whatever causes, until the completion and acceptance of the work. Should any damage occur, the contractor shall repair the same at his own expense to the satisfaction of the TSMDC. The contractor shall be responsible for such policies of his own material, storage areas, store house, equipment yard etc., as may be required. The TSMDC shall not accept responsibility for protection of the contractor's equipments, tools and materials.
- h. The contractor shall provide required CCTV Cameras including entry, exit, loading point, weighment area, to cover total stockyard area with three (3) months backup and one (1) year external hard disk backup. The CCTV surveillance hard disk shall be handed



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over to TSMDC every month. The contractor shall provide fencing with barricades at stockyard.

- i. The contractor shall provide Minimum facilities of safe drinking water, Rest area with shade, to the personnel and transporters.

vii) Possession of Excavators & Other Equipment:

The Contractor should have under their possession through ownership or lease, a minimum of following equipment throughout the Contract period :

Hydraulic Excavators (bucket capacity of 0.9 CBM and above	6 Nos.
Mobile Water Sprinklers/tankers	6 Nos.
Tractors or Trippers	30 Nos or 15 Nos

The equipments once deployed for the work shall not be withdrawn without prior permission from concerned Project Officer of TSMDC. The tippers shall have RFID tags which transport sand from excavation point to stockyard.

viii) Permits / Approvals :

The Contractor shall obtain all necessary licences, permits, approvals, etc., before the commencement of work as required under Telangana State Sand Mining Rules, 2015, for the execution of the work and of anything required to be done to execute the work.

ix) Laying of Roads :

It is the sole responsibility of the Contractor to lay / form required road from stockyard to nearby connectivity road for plying of Lorries /



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Vehicles, any incidental expenditure incurred and involved thereon for laying & maintenance of roads shall be borne by the Contractor alone.

x) Stockyard :

The Contractor shall identify the Stockyard within 1 KM from the Submergence area. TSMDC shall obtain the Mineral Dealer License (MDL) and pay the lease rental amount to the concerned Pattadar not exceeding permissible amount per acre per annum for the Stockyard as identified by the Contractor.

xi) Changes in Work

- a. The quantities set out by the TSMDC in the schedule of de-siltation and forming part of the contract are the quantities of sand to be de-silted by the contractor in fulfillment of his obligations under the contract.
- b. The TSMDC may, without invalidating the contract and without notice to the contractor's sureties, if any, require the contractor to perform extra items of quantities of work not included in the schedule of quantities and rates, make changes within the general scope of the work covered by the contract or otherwise vary the work. The contractor shall perform such extra items or quantities of work or comply with such changes and variations in the manner and to the extent specified in written orders approved by TSMDC and issued by the VC & MD.
- c. Any extra quantity of work ordered by TSMDC and executed by the contractor for which rates have been provided for in the schedule of quantities and rates and which is performed by the contractor in terms of a change as referred to in sub-clause (12.5) hereof, the contractor within seven (7) days of receipt of such order shall



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submit his rate to the VC&MD prior to commencement of such item of work for consideration and sanction by TSMDC. If the contractor shall commence such item of work or incur any expenditure in connection therewith before the rate therefore shall have been determined as herein before mentioned the contractor shall be entitled to be paid in respect of the work carried out or the expenditure incurred by him prior to the date of determination of the rate as aforesaid only on the basis of such rate as may be fixed by TSMDC. If the nature or amount of any change or variation shall be such that in the opinion of the VC&MD the rate of any item in the schedule of quantities and rates is rendered unreasonable or inapplicable, the VC&MD shall fix such other rate as he may be in the circumstances, consider reasonable and the contractor shall have no claim for any compensation on account of any profit or advantage that might have occurred to him from execution of the work in full and / or without change or variation as aforesaid.

- d. The contractor strictly prohibited from over loading sand against the loading capacity of the vehicle. Any vehicle found with over loading (20) times penalty will levied on the contractor on the sand cost, which was overloaded. If second time any lorry found with over loading the agreement shall be cancelled without any notice.
- e. All Malpractices are prohibited in the sand reach / stockyard any Malpractices noticed in the stockyard leads to imposition of penalty at the discretion of TSMDC, and cancelation of agreement with contractor.
- f. The contractor invariably dispatch daily 4,000 MT and de silt 4,800 MT per day.



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xii) Escalation Clause : No price escalation

xiii) Force majeure :

- a. The term Force majeure shall mean, acts of God, War, Civil riots, Fire, Floods, Earthquake, Hurricane, Lockouts, Strikes (not related to the Contractor and its employees) Civil War, Compliance with any statute, directions issued by any Governmental Authorities or regulation of the Government directly affecting this contract.
- b. Upon the occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing within a week of the alleged beginning and ending thereof giving full particulars and satisfactory evidence in support of his claim.
- c. In case the Force majeure event continues for more than 30 (thirty) days, the Parties will mutually discuss and decide the future course of action.
- d. No Party shall be liable for any claim for any loss, damage or compensation whatsoever arising out of failure to carry out the terms of this agreement to the extent such failure has been caused or contributed to by one or more events of Force majeure.
- e. Where such impossibility of performance is partial, the said Party shall not be relieved of the performance of that part which is not so rendered impossible.



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xiv) Failure and Termination

- a. The performance of the Contractor as regards the achievement of the targeted quantity of sand mining will be closely monitored. TSMDC reserves the right to forfeit the Performance Security Deposit in case of de-siltation is less than the half of the target (< 50%) quantities of respective month and the agreement is liable to termination without any further notice.
- b. The TSMDC reserves the right to set off all the losses incurred by it against the Security Deposit and running bills, if necessary.
- c. The TSMDC reserves the right to suspend / interrupt / terminate the work at any time due to labour unrest and / or due to unforeseen circumstances when operations are compelled to be stopped and in such cases the contractor will be paid no compensation or damages or idle charges by TSMDC.
- d. The TSMDC authorities shall have the right to terminate the contract on account of any violation of the terms and conditions, breach of terms of the contract and in such event, the contractor shall be responsible for all damages, which accrue due to such termination.
- e. The TSMDC reserves the right to terminate the contract by giving (01) one month notice in writing in the event of any change in the policy in respect of sand mining project from Utoor Village-II .

Sand reach from upstream of check dam on Manair River at Utoor Village of Manakondur Mandal of Karimnagar and transport the same quantity of sand to nearby Stockyard (Bidder has to identify Stock yard near to motorable road) and again loading of sand into the Lorries at Stockyard at Utoor Village-II .

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[Signature]
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Village of Manakondur Mandal of Karimnagar and / or directions issued by the Government and in which case the Contractor shall not be entitled to claim any compensation or damages from TSMDC.

xv) ASSIGNMENT AND SUBLETTING: The assignment and subletting of the contract is not permissible.

xvi) RESOLUTION OF THE DISPUTES : All the quarries, disputes, differences arising under, out of or in connection with the Contract shall be subject to exclusive jurisdiction of the High Court within the local / limits of Hyderabad, Telangana State where this Contract is entered into.

In witness whereof, the parties hereto have signed and executed this Agreement on the day month and year first above written.

for and on behalf of
TSMDC

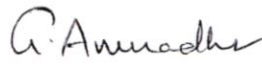

General Manager (S&M)
Telangana State Mineral Development Corporation Ltd.
General Manager (S&M) Premises
Rear Block, 3rd Floor, Khairatabad,
Hyderabad - 500 004, Telangana

Witnesses

for and on behalf of
M/s. KSR Constructions.,

For M/s. KSR Constructions

Managing Partner
Managing Partner.

- 1) 
- 2) 