



THE ODISHA STATE POLICE HOUSING & WELFARE CORPORATION LTD.
(A Government of Odisha Undertaking)

No. 7835/OPHWC

Dated 20.05.2017

To

All Project Managers(P.Ms)/Jt. Managers
Including Jt. Manager(Elect.),
OSPH&WC.

Sub: Detail Guidelines for execution of works on K2 agreements by the Project/Jt. Managers,
OSPH&WC.

Ref: This office letter No.6890/OPHWC dt. 4.5.2017.

In continuation to the above cited letter under reference this is to inform you that as approved by the Board in its 132nd meeting the procedure being adopted for departmental work as per Clause No. 4.8 of OAM is hereby withdrawn and all authorised works should be executed in the prescribed PWD form for execution on K2 agreements strictly as per OPWD and in consistent to the following guidelines.

- 1) The works on K2 agreements will be executed only for such work for which written authorization is given to the Jt. Managers on due approval of CE/CMD. Execution of any K2 agreement on any work without such approval of the competent authority will be treated as unauthorized.
- 2) The K2 agreements should be drawn in PWD prescribed K2 agreements form which have already been circulated to the Jt. Managers vide letter No.6890/OPHWC dt. 4.5.2017. No other form other than that should be used to avoid any contractual complication in future.
- 3) The K2 agreement should be drawn by the Project/Jt. Managers only on behalf of the Corporation alongwith the contractor and two witnesses. No further delegation is allowed.
- 4) The K2 agreements should specifically indicate the date of commencement, date of completion, agreement value, items of work, unit and its quantity and rates..
- 5) There should not be any lumpsum item in K2 agreements.
- 6) The K2 agreement should be executed strictly as per the procedures as laid down as per Appendix-VII of the OPWD Code in each case the rate allowed to the contractor on any item of work should be at par or less than the CSR. As found out on competitive rate as quoted by the panel contractors invited in a notice by allowing 48 hours of time.
- 7) The P.Ms/Jt. Manager should furnish a monthly return to Head Office by 10th of each succeeding month a list of work taken up on K2 agreements. Moreover, any K2 agreement drawn at Division level, a copy of the same must be endorsed to the Head Office for record.
- 8) All K2 works should necessarily be executed by empanelling registered contractors only with joint venture with contractor having ELBO certificate.
- 9) In addition to that the present available clauses in the K2 agreements format of PWD, the following special conditions should also be a part of the agreements as the amount of the contract can be higher than that as prescribed by PWD.

- a) The contractor should submit 2% of agreement value as EMD during the time of execution of agreement which will be returned only after expiry of defect liability period i.e. one year from the date of passing of final bills.
- b) During agreement the civil contractor need to submit a joint venture agreement with a valid electrical contractor in an affidavit form. However, the responsibility on the quality and quantity of work will rest on the original civil contractor.
- c) The contractor need to submit a work programme indicating the mile stone during the drawal of agreement and failing on reaching the mile stone in time will lead to levy of liquidated damage as per Clause No. 2(a) of the prescribed F2 agreement of OPWD.
- d) Normally no time extension on K2 agreements is acceptable. However, in case of inevitable circumstances i.e. beyond the control of the contractor the Corporation may grant some more time beyond the date of completion for which only the Chief Engineer/Superintending Engineer of the Corporation is competent. Prior permission on this matter must be obtained within one month of occurrence of such hindrances if any. However, no extra financial compensation on such extension of time will be claimed by the Contractor.
- e) The K2 contractors will not claim anything or any shape from the Corporation if the work is curtailed or stopped at any stage for want of funds or otherwise.
- f) All Quality Control Test at site and laboratory should be conducted for the work as envisaged in relevant specification of road/building work and results be recorded in Quality Control Register. The cost of the Quality Control, if any, will be borne by the contractor without any extra liability to the Corporation.
- g) Termination of the contract for this agreement will be regulated as per Clause No. 4.5 of OAM of OSPH&WC.
- h) For all purposes of this contract, the P.M./Jt. Manager will be the Engineer-in-charge and the work will be executed as per his directives or any other subordinates as authorized by him. Any disputes on this K2 agreement between the P.M./ Jt. Manager and the Contractor, the Chief Engineer is the Appealing Authority and the decision of the Chief Engineer is final so far the contract is concerned which will be binding on bother the parties.
- i) The date of signing of the agreement will be treated as the date of commencement of work.

Receipt of the letter may be acknowledged. This will come into effect w.e.f. 1.6.2017.


Chief Engineer (Civil)