

Payment Terms:

- a. 90% of measured value of work shall be paid on satisfactory completion of work and submission of all required documents as per contract.
- b. 10% shall be retained as Security Deposit for Defects liability period. This amount can also be paid in lieu of a Bank Guarantee for same amount.

Security deposit as 10% of contract value will be deducted from the first interim payment. A bank guarantee for equal amount valid for Contract Period plus Defects Liability period is also acceptable in lieu of Deduction of Security Deposit. The standard Format of Bank guarantee can be collected from PFD Office.

The Defects Liability period from the date of completion of work. AIESL will retain 10% of contract value as Security Deposit for this period. Contractor will carry out full repair or replacement for any defect / fault arising due to defective work or defective material during this period free of cost within 3 working days. The repaired / replaced items will carry additional warranty for 6 months.

All interim and final bills will be submitted in duplicate along with 2 copies of duly signed Joint Measurement sheet for the work done.

Liquidated Damages – For non- completion of the work within the prescribed time, the contractor will be liable to pay the liquidated damages at a rate of 0.5% of the contract value for per week of delay subject to a maximum of 10% of contract value or the actual value of completed work. Extension of time will be considered by AIESL, in case of the delay.