

DELHI DEVELOPMENT AUTHORITY  
( H.O.'S OFFICE )

NO: EM.1 (10)95/19517

Dated : 2.5.97

CIRCULAR-NO. 509...

( In supersession of Circular No.474 dt.  
8.11.1995 )

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Housing  
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SUB: DRAWING UP OF SUPPLEMENTARY AGREEMENTS FOR  
HOUSING AND SIMILAR PROJECTS.

In supersession of the detailed guidelines issued earlier on the subject vide Circular No.474 circulated vide No.EM.1(10)95/19517 dt. 8.11.95, the following new guidelines have been approved by the WAB.

1. In all future MIs based on PWD-7 or PWD-8 for Housing and similar projects, DDA will specifically introduce a provision relating to drawing-up of Supplementary Agreements for the execution of following types of finishing items during the process of handing over of the flats/built up spaces to the prospective allottees :-
  - i) Final coat of white wash/distemper, painting and water proofing cement paint etc.
  - ii) Final floor grinding.
  - iii) Providing and fixing glass panes.
  - iv) Providing and fixing of sanitary fittings and fixtures.
  - v) Fixing of door/window shutters including fittings and fixtures.
  - vi) Etc. etc.
2. In all future MIs of housing and similar projects, the following two independent schedules of items would be included:-
  - a) SCHEDULE-A : It would contain all those items or those parts of items which are to be executed under the Main Agreement.
  - b) SCHEDULE-B : It would contain all those items or those parts of items which may be executed under the Supplementary Agreement for the type of finishing items as detailed in para-1 above. Schedule 'B' would also include an independent item for each and every to be paid during the currency of the Supplementary Agreement.
3. All future MIs of housing and similar projects would be so framed as to indicate separately the time of completion, earnest money/security etc. for Schedule-A as well as Schedule-B of the items of the work.

Contd.....2/

The basic date for working out the escalation under Clause-10 cc for Schedule-B to be executed under Supplementary Agreement shall be the same as for the Schedule-A. Operation of Clause-10cc will, however, be otherwise governed by the relevant provisions of the Main Agreement.

5. An additional Clause-(c) would be added to the standard contract formats PWD-7 or PWD-8, in all future NITs as per the enclosed modified draft. (Annexure-I).
6. The Supplementary Agreements would be drawn in future contracts as per the enclosed modified draft for the Supplementary Agreement. (Annexure-II), once all the obligations under main agmt. (in respect of schedule 'A') are fulfilled by the agency.
7. The final bills relating to the two agreements i.e. the Main Agreement as well as the Supplementary Agreement shall be dealt with and finalised independently in accordance with the relevant provisions of the two Agreements contained therein.
8. For the existing agreements of housing and similar projects, wherein, provisions for drawing up of Supplementary Agreements do not exist, possibility of drawing up the Supplementary Agreements with respective contractors as per these modified Standing Instructions shall be explored. The time period for execution of work under Schedule-B shall be initially for one year (or less as per merits of the case) to be suitably extended from time to time with mutual consent of both the parties. The contractors would be entitled for the payment of watch and ward/service charges etc. during the operation of the Supplementary Agreements in respect of the existing contracts also as per the pre-decided rates to be worked out on the basis of the norms/guidelines separately issued on the subject vide circular No. 510 dated. 2.5.97

These instructions shall be implemented with immediate effect.

Encl: As above.  
(Annexure-1 & II)

*R.K. Bhandari*  
( R.K. BHANDARI )  
ENGINEER MEMBER  
2.5.97

1. All CEs/ACEs(Civil) i/c CE(QC) & CE(Elect.) & Dir.(DWK & EZ).
2. All SEs(Civil), (Elect.) & SE(QC), SE(Design)  
(Circulation through respective CEs/ACEs/Dir.(DWK.&EZ)).
3. Directors (Hort.) North & South & Director (MM).
4. Director (Works), Director (M & PPC).

5. All EEs(Civil), (Elect.), (QC) & (Design) of  
DLA (Circulation through respective CEs/ACEs/  
Mr.(IT), Director (DWK. & EZ), DDA).
6. All Dy. Directors (Hort.) (Circulation through  
respective Director (Hort.)).
7. All Dy. Chief Accounts Officers/Accounts  
Officers, DLA.
8. E.O.-I, II, III & IV.
9. Sr. A.O(P) to E.M.

Copy to:

1. VC for information.
2. FM for information.
3. C.A.O.
4. C.L.A.
5. Secretary (WAB), DDA.
6. F.No.WAB.1(76)Pt.IX/Pt.

*[Signature]*  
E.O.-I to E.M.  
D.D.A. 1972

214

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Notwithstanding the provisions contained in other clauses, the Engineer-in-Charge may decide to draw a Supplementary Agreement to the Main Agreement with the original Contractor, with whom the Main Agreement had been executed, at the face of the contract for subsequent execution of the finishing items as given in Schedule-'B' of the Schedule of items.

The items contained in Schedule-'B' may be executed separately under the Supplementary Agreement with the contractor of the main work in the eventuality of Engineer-in-Charge deciding to opt for the same once the work/obligations under Schedule 'A' are completed. If so decided, the contractor will execute the work covered by Schedule 'B' under a Supplementary Agreement as per terms and conditions contained therein.

2. In the event of drawing up of the Supplementary Agreement, the main contract in respect of Schedule 'A' of the items shall be independently finalised by the Engineer-in-Charge as per the terms and conditions of the Main Agreement whereas the final bill in respect of Schedule 'B' of the items shall be prepared after the completion of the work as per terms and conditions of the Supplementary Agreement.
3. Security deposit for Main Agreement may be released, retaining an amount equivalent to 50% of Security deposit or 10% of the Estimate Cost of work to be executed under the Supplementary Agreement, whichever is more, as security deposit till the completion of work covered by Supplementary Agreement and maintenance period thereafter.
4. During the operation of the Supplementary Agreement, the watch and ward of the entire work including that completed under the Main Agreement (as per Schedule 'A') shall continue to remain the responsibility of the contractor notwithstanding the fact that the Main Agreement work has been finalised. The contractor shall be paid extra on this account as per quoted/predecided rates. This clause shall, however, be operative only after completing all



obligations under Main Agreement irrespective of the specific provision contained in Schedule 'B' of the Schedule of items.

5. During the operation of the Supplementary Agreement, and during the maintenance period thereafter, the contractor shall be liable to make good any loss or damage to the work executed under both the Main as well as the Supplementary Agreement for which nothing extra shall be payable to the contractor.
  6. The Supplementary Agreement shall be as per the enclosed Draft, the terms of which are acceptable to the parties.
  7. All other provisions of the Main Agreement, until and unless specifically mentioned otherwise in the Supplementary Agreement, shall be applicable during the operation of the Supplementary Agreement also.
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by the Engineer-in-Charge, on the receipt of  
written or verbal instructions to that  
effect.

- d) The total cost specified under  
shall not be reduced if the  
second party, by virtue of provisions contained  
in the contract instructs the first party from time  
to time in a manner which may result in the  
completion of all the flats before the time so  
stipulated therein.
- e) That the First Party shall have absolutely no  
claim of whatsoever nature against the second  
party for doing the work mentioned in Schedule 'B'  
annexed to this Agreement as required under Sub-  
Clause-(a) above, except that to which he would  
be entitled under the original Agreement No.....
- f) That the First Party shall be liable to execute  
all other items arising out of the Original  
Agreement No.....which in the opinion  
of the Engineer-in-Charge, are necessary.
- g) That the final bills relating to the works  
covered under Schedule 'A' and Schedule 'B'  
shall be prepared independently after the  
completion of the respective parts of the work  
as per the terms and conditions of Main Agreement  
and/ or Supplementary Agreement as Applicable.
- h) That on the due execution of this Supplementary  
Agreement by the parties, the bill of the First  
Party in relation to the work already done by him  
under schedule 'A' of the Original Agreement, if  
completed in all respects as per the terms and  
conditions of the Agreement, shall be finalised by  
the Second party, subject, however, to fulfilment of  
all other obligations as per terms and conditions of  
Agreement by first party, and due payment shall be  
made to the First Party as per the terms and conditions  
of the Original Agreement.
- i) Security deposit for Original Agreement may be  
released, retaining an amount equivalent to 50% of  
security deposit or 10% of the Estimate Cost of  
work to be executed under the Supplementary

... whichever is more, as security deposit till the completion of work covered by Supplementary Agreement and maintenance period thereafter. The Second Party shall have the right to deal with the said amount of security deposit as it thinks proper under the terms and conditions of the original/Supplementary Agreement. Further, on the due execution and completion of this Supplementary Agreement, to the satisfaction of the Engineer-in-Charge, the First Party shall be entitled to refund of this amount of Security Deposit relating to the work in question, subject to the right of the Second Party to retain such amount as it thinks reasonable as mentioned above, soon after the maintenance period, as mentioned in Clause... of the original Agreement, is over.

j) That during the operation of Supplementary Agreement, the watch and ward of the entire work including that completed under the Original Agreement shall continue to remain the responsibility of the first party. The First party shall be paid extra on this account at quoted/predetermined rates.

k) The first party shall be liable to make good any loss or damage to the work executed under both, Original as well as Supplementary Agreement during the operation/currency of Supplementary Agreement as well as the subsequent maintenance period, for which nothing extra shall be paid to the first party.

3. Except as modified by this Agreement, the said Original Agreement No..... shall remain in full force and effect in all respects including technical audit, defect liability etc.

IN WITNESS WHEREOF THE ABOVE MENTIONED PARTIES HAVE PUT THEIR signatures on this day the.....

4. The basic date for working under Clause-10 or for Schedule-E to be executed under Supplementary Agreement shall be the same as for the schedule-A. Operation of Clause-10 will however, be otherwise governed by the relevant provision of the Main Agreement.
5. An additional Clause-6(c) would be added to the standard contract formats PWD-7 or PWD-8 in all future NITs as per the enclosed modified draft. (Annexure-I).
6. The Supplementary Agreements would be drawn in future contracts as per the enclosed modified draft for the Supplementary Agreement. (Annexure-II), once all the obligations under main agmt. (in respect of schedule 'A') are fulfilled by the agency.
7. The final bills relating to the two agreements i.e. the Main Agreement as well as the Supplementary Agreement shall be dealt with and finalised independently in accordance with the relevant provisions of the two Agreements contained therein.
8. For the existing agreements of housing and similar projects, wherein, provisions for drawing up of Supplementary Agreements do not exist, possibility of drawing up the Supplementary Agreements with respective contractors as per these modified Standing Instructions shall be explored. The time period for execution of work under Schedule-B shall be initially for one year ( or less as per merits of the case ) to be suitably extended from time to time with mutual consent of both the parties. The contractors would be entitled for the payment of watch and ward/service charges etc. during the operation of the Supplementary Agreements in respect of the existing contracts also as per the pre-decided rates to be worked out on the basis of the norms/guidelines separately issued on the subject vide circular No. 51 dated. 2.5.97

These instructions shall be implemented with immediate effect.

Encl: As above.  
(Annexure-I & II)

*R.K. Bhandari*  
( R.K. BHANDARI )  
ENGINEER MEMBER  
2.5.97

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6. All Dy. Directors (Hort.) (Circulation through  
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6. F.No.WAB.1 (76)Pt.IX/Pt.

*[Handwritten signature]*  
E.O.-I to E.M.  
D.D.A. *[Handwritten initials]*

*[Handwritten number]*  
214