**AGREEMENT BETWEEN A COMPANY AND A CONTRACTOR FOR CONSTRUCTION OF BODY OF THE COMPAINTS STAFF BUSES**

**THIS AGREEMENT** made at………………this………………day of………………20…………… between A Y Co. Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at………………(hereinafter referred to as "the company", which expression shall unless it be repugnant to the subject or context include its successors and assigns) of ONE PART and X Y Auto Works Pvt. Ltd., a company incorporated under the Companies Act, 1956 and having its registered office at ......... (hereinafter referred to as "the Contractors", which expression shall unless it be repugnant to the subject or context include its successors and assigns) of the OTHER PART.

**WHEREAS**

(1) The company has purchased………………chassis from………………and wants to get the bodies of the said chassis constructed for carrying the company employees from different places to the factory's office.

(2) The contractors, who are doing the business of making bus bodies, have offered their service to construct the bodies of the said chassis as per the specifications; and

(3) The company has agreed to accept the offer made by the contractors on the terms and conditions hereunder mentioned.

**NOW THEREFORE THIS AGREEMENT WITNESSETH AS UNDER:**

(1) The contractors agree for the construction of the bus bodies of the type hereinafter specified for carrying or transporting the company's employees at the cost of Rs ………………per bus body.

(2) The contractors shall construct the bus bodies in accordance with the specifications described in Schedule I to this Agreement.

(3) The cost of the work includes cost for the supply of all the materials, components required for the job, fabrication, testing, commissioning of the vehicles, transporting the chassis to the workshop and delivery of the vans at the company's premises.

(4) The contractors shall complete the work within………………months from the date of these presents. If the work is not completed within the stipulated time, the contractors will be liable to pay liquidated damages at the rate of Rs………………per week. The company may deduct the said liquidated damages from any amount payable to the contractors under this Agreement.

(5) The company shall pay………………% of the amount payable for the work against delivery and testing of the vans. The remaining amount of .......% shall be retained by the employer and be payable after a period of 12 months defects liability period.

(6) The bus bodies shall be constructed in accordance with the rules laid down by transport authorities at



(7) The work shall be guaranteed for a period of 12 months from the date of delivery of the bus bodies against poor workmanship or bad quality of materials and for satisfactory running of bus body along with the bus. If any defect is found by the company within the said period of twelve months, the contractors shall rectify the said defects within a period of one week from the date of receipt of the notice issued by the company in this regard. If the contractors fail to rectify the defects as pointed out by the company within fifteen days from the date of reporting to the contractors, the company shall be entitled to have such defects cured by such other agencies, as it may deem fit, at the entire risk and cost of the contractors and utilise the retention money or such other sums as may be payable to the contractors pursuant to this agreement and pay the balance, if any, on the expiry of two months after the defects liability period mentioned above. Provided that in the event of the said retention money being inadequate to meet such costs and expenses incurred by the company for curing the defects, the contractors shall within seven days of a demand in writing made by the company make good the deficit, failing which the contractors shall be liable to pay the same together with the interest at the rate of 15% p.a.

(8) The contractors will deposit a sum of Rs . ………………with the company within a period of one week from these presents as security deposit for the due fulfilment of the contract. The said security deposit will be repayable to the contractors together with the payment of retention money, after defects liability period. The security deposit will not carry any interest.

(9) The contractors shall insure the chassis for Rs………………at their own expenses against destruction or damage by fire, flood, etc. and keep insured until the possession of the buses duly completed in all respects is handed over to the company.

(10) This agreement shall be executed in duplicate. The original of agreement shall be retained by the company and the duplicate by the contractors,

**IN WITNESS WHEREOF** the parties have caused these presents and the said duplicate to be signed on their behalf by their duly authorised executives, the day and year first hereinabove written.

**WITNESSES**

1. Signed and delivered by A Y Co. Ltd. by the hands of 

Shri………………its duly authorised executive

2. Signed and delivered by X Y Auto Works Pvt. Ltd. By

the hands of Shri………………its duly authorised executive