

NTPC LIMITED

(Corporate Contracts – Planning & Systems Group)

Ref. No.: CS-QS-C-792

Date 03.10.2019

CIRCULAR NO. 792

Sub: Provisions pertaining to Safety Aspects / compliance to Safety Rules in Bidding Documents

- 1.0** Presently, provisions pertaining to Penalty/Reward for Safety are specified in bidding document under the Erection conditions of Contract (ECC) which are part of the Technical Specifications. Safety Rules for Construction and Erection have been issued vide System Circular no. 789, with the direction to incorporate the same in GCC, Section IV of the Bidding documents. It has now been decided that a portion of the payment of the value of RA bills for Service portion of Contract (i.e. Civil + Installation / Erection + Structural Works) be linked to Safety Aspects/ Compliance to Safety Rules on continuous basis during the execution of work.
- 2.0** Accordingly, a BOQ item namely '**Amount linked to Safety Aspects/ compliance to Safety Rules**' shall be specified in the Price Schedules wherein Contractor will be required to quote an amount subject to minimum percentage (as specified in the Bidding documents) of Service portion of Contract (i.e. Civil plus Installation/ Erection plus Structural Works). The aforesaid minimum percentage shall be specified by the Package Coordinator (C&M executive handling the Contract Package) based on the estimated value (without taxes and duties) of package as under:

Packages having estimated value (excluding taxes & duties)	Minimum percentage of Service portion of Contract i.e. Civil + Installation/ Erection + Structural Works, to be specified for Safety Aspects/ Compliance to Safety Rules
Supply cum Erection / Supply cum Erection cum Civil Packages	
More than Rs 3000 Crore	1%
More than Rs 1000 Crore but less than or equal to Rs 3000 Cr	1.5%
More than Rs 500 Crore but less than or equal to Rs 1000 Crore	2 %
More than Rs 100 Crore but less than or equal to Rs 500 Crore	2.5%
Less than or equal to Rs 100 Crore	5%
Civil Packages / Services Contracts	
More than Rs 100 Crore	1%
Less than or equal to Rs 100 Crore	2%

3.0 In view of the above, following changes shall be incorporated in the Bidding Documents for Supply-Cum-Installation / Supply-Cum-Installation-Cum-Civil / Civil Packages/O&M Packages and any other packages where safety rules are applicable, invited from Corporate Centre / SSCs / Regions / Sites in cases where NIT / IFB are yet to be issued or Techno-Commercial bids (in case of Single Stage Two Envelope bidding) / Price bids (in case of Two Stage bidding) are yet to be opened:

3.1 **SUPPLY-CUM-INSTALLATION / SUPPLY-CUM-INSTALLATION-CUM-CIVIL PACKAGES INVITED ON DCB / ICB BASIS**

[\$\$ Minimum percentage shall be specified by the Package Coordinator (C&M executive handling the package) as per table under para 2.0 above]

(I) **Modify / Replace the following Para in ITB through BDS:**

Clause no. 10.0. Bid Prices

10.3* Bidders shall give a breakdown.....
.....

Schedule No. 3/4** Installation Services including Erection and Civil/Structural Works (as applicable), Insurance covers other than inland transit insurance, **Safety Aspects/Compliance to Safety Rules** and other services as specified in the bidding documents.

10.4* In the Schedules, Bidders shall give the required details and a breakdown of their prices as follows:
.....

(c)/(d)** Installation Services including Erection and Civil & Allied Works (as applicable) shall be quoted separately (Schedule No. 3/4**) and shall include rates or prices for all labour, contractor's equipment, temporary works, materials, consumables and all matters and things of whatsoever nature, charges for insurance covers other than inland transit Insurance, charges for **Safety Aspects/Compliance to Safety Rules** including operations and maintenance services (if applicable), the provision of operations and maintenance manuals, training of employer's personnel, etc., and other services, as identified in the Bidding Documents, as necessary for the proper execution of the Installation Services.

(i) Bidders are advised to price their bids in such a manner... ..
.....Completion of Facilities.
(If Prices are..... percentage /retention amount).

(ii) Bidders are advised to price their bids in such a manner

.....
.....Completion of Facilities.

(If Prices are.....Civil Works percentage /retention amount).

(no change in para (i) & (ii) above)

(ii) Bidders are advised to price their bids in such a manner that the component for 'Amount linked to Safety Aspects/ compliance to Safety Rules' should not be less than.....% of the cumulative total of Service Portion of the Contract, i.e. Civil + Installation/ Erection + Structural Works.

In case 'Amount linked to Safety Aspects/ compliance to Safety Rules' is less than aforesaid minimum percentage specified of the cumulative total of Service Portion of the Contract, i.e. Civil + Installation/ Erection + Structural Works, the amount by which it is lower shall be retained proportionately from the other components of Schedule-3/4** of the Contract price while releasing payments of each RA bill. No interest shall be payable on the amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount. The amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount shall be payable in part or full based on safety compliance duly certified by Project Manager and Safety-in-charge on quarterly basis.

(If Prices are quoted in foreign currency then SBI Bills Selling exchange rate as on the date set for submission of Price bids shall be considered for the purpose of computing installation percentage / retention amount).

(II) Add the following para in GCC Clause 22.3: 'Site Regulations & Safety' through SCC:

Clause 22.3 Site Regulations & Safety:

.....

22.3.3 In addition to other clauses specified in 'NTPC Safety Rules for Construction and Erection of Power Plants' [as enclosed with GCC/SCC], Contractor shall adhere to the following provisions for payment linked to Safety Compliances as specified in Payment Terms:

i) Safety Personnel

Contractor shall adhere to the requirements of Clause 2.3 (requirement of Safety personnel) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

ii) Personal Protective Equipment & Safety Equipment

Contractor shall adhere to the requirements of Clause 4 (Personal Protective

Equipment) of 'NTPC Safety Rules for Construction and Erection of Power Plants' and the provisions of the Bidding Documents with regards to number of Safety Equipment/PPEs to be provided by the Contractor.

In case Contractor fails to comply with aforesaid requirement, Project Manager /Safety Officer shall issue a warning letter/Non-compliance Memo to the Contractor regarding the same advising him to take corrective action.

Project Manager /NTPC Safety Officer shall maintain written record of all such incidents when Warning letter/Non-compliance Memo is issued to the Contractor for not meeting the requirements of Clause 4.0 (Personal Protective Equipment) and the provisions of the Bidding Documents.

iii) Safety Induction and Training

Contractor shall adhere to the requirements of imparting Safety training as per Clause 8.0 (Safety Induction and Training) of 'NTPC Safety Rules for Construction and Erection of Power Plants.

Contractor shall maintain written record of Safety trainings imparted to its Employees/ workmen for purpose of aforesaid payment. These records shall be available for review of Project Manager /NTPC Safety Officer all the time.

iv) Medical and First Aid Amenities

Contractor shall adhere to the requirements of Clause 13 (Medical and First Aid Amenities) of 'NTPC Safety Rules for Construction and Erection of Power Plants.

NTPC Safety Officer/ Project Manager shall maintain written record of incidences when requisite Medical and first aid amenities as per Clause 13 of Safety Rules were not available for purpose of aforesaid payment.

v) Compliance to Work Permit System

Contractor shall adhere to the requirements of Clause 17 (Work Permit System) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case Contractor fails to obtain work permit or fails to comply to any requirements of aforesaid Work permit system, he will be issued a warning letter/Non-compliance Memo by Project Manager /Safety Officer of NTPC regarding the same advising him to take corrective action.

NTPC Safety Officer / Project Manager shall maintain written record of all such incidents when Warning letter / Non-compliance Memo is issued to Contractor for not complying with the requirements of Work Permit System as per Clause 17 of Safety Rules for purpose of aforesaid payment.

(III) Add a new Para in the Terms and Procedures of Payment (Appendix 1 to Contract Agreement), Section VII: Forms and Procedures

***G. Schedule No. 3(DCB) / 4(ICB)**: Amount linked to Safety Aspects/ compliance to Safety Rules**

I. The amount linked to Safety Aspects/ compliance to Safety Rules shall be paid in two parts, viz,

- A) 10% amount (calculated as 0.1 Y of the service portion amount of RA bill) shall be linked to Fatal/Major Accidents, and
- B) 90% amount (calculated as 0.9 Y of the service portion amount of RA bill) shall be linked to various Safety Aspects specified in Safety Rules of NTPC.

NOTE:

Amount linked to Safety Aspects/ Compliance to Safety Rules specified in Price Schedule

$$Y = \frac{\text{Amount linked to Safety Aspects/ Compliance to Safety Rules specified in Price Schedule}}{\text{Total amount for Service Portion of the Contract, i.e. Civil + Installation/ Erection + Structural Works}} \times 100$$

II. While raising each RA Bill, Contractor shall claim Amount linked to Safety Aspects/ Compliance to Safety Rules in such a manner that amount claimed is equal to Y% of the service portion (Civil + Installation/ Erection + Structural Works) of RA Bill.

III. The amount as elaborated at para G. I. shall be withheld from first and second monthly RA bill of the respective quarter/three month period and shall be released in part or full based on safety compliance duly certified by Project Manager and Safety-in-charge on quarterly basis. The amount for the entire quarter (i.e. RA bills raised during a 3 month period) shall be paid to the Contractors at the end of that three months period along with 3rd/last RA Bill for the quarter/three months period upon complying the following conditions:

A) Amount of RA Bill linked to Fatal/ Major Accidents (0.1Y as elaborated above at para G.I.A)

Aforesaid amount (on quarterly basis) shall be payable to Contractor only in case, there is

- i) No fatal injury or accident causing death in that three months period and
- ii) No Major injury or accident causing 25% or more permanent disablement to workmen or employees in that three months period. Permanent disablement shall have the same meaning as indicated in The Workmen's Compensation Act' 1923.

In case of any fatal injury or accident as elaborated above occurs during that three month period, the stipulated amount (0.1Y) subject to minimum of **Rs**

10 Lakh per fatality shall be forfeited and shall not be payable to the Contractor under the contract. In case, the amount to be deducted/forfeited exceeds the amount linked to Fatal/ Major Accidents, the same shall be recovered from remaining Amount (0.9Y) linked to Compliance of Safety Rules and/or any other payments immediately due to the Contractor under the Contract.

In case of any Major injury or accident causing 25% or more permanent disablement to workmen or employees occurs during that three month period, **Rs 4 lakh per Major injury** shall be deducted from the amount (0.1Y) linked to Fatal/ Major Accidents and shall not be payable to the Contractor under the contract. In case, the amount to be deducted/forfeited exceeds the amount linked to Fatal/ Major Accidents, the same shall be recovered from remaining Amount (0.9Y) linked to Compliance of Safety Rules and/or any other payments immediately due to the Contractor under the Contract.

Further, in case, Contractor doesn't raise RA Bills in any three month period/quarter and if any fatal injury and/or major accident takes place in that period, Project Manager shall deduct the amount [Rs 10 Lakh per fatality and Rs 4 lakh per Major injury] pertaining to this particular quarter from his next RA bill/due payment. In case, the amount to be deducted/forfeited exceeds the amount linked to Safety, the same shall be recovered from any other payments immediately due to the Contractor under the Contract.

The amount deducted/forfeited as mentioned above shall be in addition to the compensation payable to the workmen / employees under the relevant provisions of the Workmen's Compensation Act' 1923 and rules framed there under or any other applicable laws as applicable from time to time.

B) Amount of RA Bill linked to Compliance of Safety Rules (0.9Y i.e. 90% of amount as elaborated above at para G.I.B)

Aforesaid amount (on quarterly basis) shall be payable to Contractor in five equal parts under five heads as under:

(i) Amount payable on deployment of required Safety Personnel

One fifth of the amount specified at G.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by Project Manager in consultation with Safety dept. that required number of Safety personnel as per Clause 2.3 of 'NTPC Safety Rules for Construction and Erection of Power Plants' [as enclosed with GCC/SCC] have been deployed. The aforesaid amount linked to deployment of requisite safety personnel shall be paid as under:

- a) 50% of the amount referred at G.III.B.(i), for deployment of Safety Supervisors shall be paid on pro-rata basis depending upon the actual no. of Safety Supervisors deployed vis-à-vis actual requirement :

Amount to be paid = 0.09Y x Service portion of RA bill amount x (a/b)

Where 'a' is actual no. of Safety supervisors deployed

and

'b' is required no. of Safety supervisors as per Safety Rules.

In case, actual no. of Safety supervisors deployed is more than requisite number (i.e. a/b is more than 1), the amount to be paid shall be restricted to 0.09Y.

- b) 50% of the amount referred at G.III.B.(i), for deployment of Safety Officers shall be paid on pro-rata basis depending upon the actual no. of Safety Officers deployed vis-à-vis actual requirement :

Amount to be paid = 0.09Y x Service portion of RA bill amount x (a/b)

Where 'a' is actual no. of Safety Officers deployed

and

'b' is required no. of Safety Officers as per Safety Rules.

In case, actual no. of Safety Officers deployed is more than requisite number (i.e. a/b is more than 1), the amount to be paid shall be restricted to 0.09Y.

- c) In case aforesaid requisite no. of Safety personnel are not deployed by Contractor, amount not to be paid as calculated above for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(ii) Amount payable on providing requisite Personal Protective Equipment & Safety Equipment

One fifth of the amount specified at G.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by Project Manager in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 4 (Personal Protective Equipment) of 'NTPC Safety Rules for Construction and Erection of Power Plants' and the provisions of the Bidding Documents with regards to number of Safety Equipment/PPEs to be provided by the Contractor.

In case of non-compliance by Contractor, warning letter/Non-compliance shall be issued by Project Manager /Safety Officer of NTPC as per clause 22.3.3 (ii) of GCC. Further, if more than two such warning letters/Non Compliance Memos are issued in a quarter/three monthly period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(iii) Amount payable on providing requisite Safety Induction and Training

One fifth of the amount specified at G.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by Project Manager in consultation with Safety dept. that Contractor has adhered to the requirements of imparting Safety training as per Clause 8.0 (Safety Induction and Training) of 'NTPC Safety Rules for Construction and Erection of Power Plants to at least 90% of its employees/workmen (who have not been previously provided with requisite training) in a quarter/ three months period.

In case Contractor fails in meeting the aforesaid requirement, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(iv) Amount payable on providing requisite Medical and First Aid Amenities

One fifth of the amount specified at G.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by Project Manager in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 13 (Medical and First Aid Amenities) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case Contractor fails to provide Medical and first aid amenities as per requirement of aforesaid Clause 13 even on one incidence in any quarter/three month period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(v) Amount payable on compliance to Work Permit System

One fifth of the amount specified at G.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by Project Manager in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 17 (Work Permit System) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case of non-compliance by Contractor, warning letters/Non Compliance Memos shall be issued by Project Manager /Safety Officer of NTPC as per clause 22.3.3 (v) of GCC. In case of issuance of more than two such warning letters/Non Compliance Memos in a quarter/three monthly period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

- IV. In case 'Amount linked to Safety Aspects / compliance to Safety Rules' is less than^{\$\$}.....% of the cumulative total of Service Portion of the Contract, i.e. Civil + Installation/ Erection + Structural Works, the amount by which it is lower shall be retained proportionately from the other components of Schedule-3/4** of the Contract price while releasing payments of each RA bill. No interest shall be payable on the amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount. The

amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount shall be payable in part or full based on safety compliance duly certified by Project Manager and Safety-in-charge on quarterly basis.

(If Prices are quoted in foreign currency then SBI Bills Selling exchange rate as on the date set for submission of Price bids shall be considered for the purpose of computing installation percentage /retention amount).

(IV) Modify the following Para in the Bid Form (Price Bid), Section VII: Forms and Procedures:

3.0 PRICE SCHEDULE:

3.1 In line with the requirements of the Bidding Documents, we enclose herewith the following Price Schedules, duly filled-in as per your proforma:

.....

Schedule No. 3/4**	Installation Services including Erection and Civil/Structural Works (as applicable), Insurance covers other than inland transit insurance, Safety Aspects/Compliance to Safety Rules and other services as specified in the bidding documents.
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.....
.....

4.2 We further understand that notwithstanding 4.0 above, you shall also bear and pay/reimburse to us/our Assignee (if applicable, in case of foreign bidder) Goods and Services Tax (GST) applicable on: (a) Plant and Equipment (including Type Test Charges) and Mandatory Spares to be supplied from within the Employer's country specified in Price Schedule No. ** (and also on locally supplied Recommended Spare Parts quoted in Price Schedule No. **, when awarded) to be incorporated in the Facilities, by Indian Laws, (b) local transportation & insurance, other local costs incidental to delivery of plant & equipment including mandatory spares specified in Price Schedule No. ** (and also of locally supplied Recommended Spare Parts quoted in Price Schedule No. **, when awarded) and (c) Installation Services including Erection, Civil & Allied Works, **Safety Aspects/Compliance to Safety Rules** and other services specified in Price Schedule No. **.

.....

(V) Modify the Price Schedule to incorporate a BOQ item namely 'Amount linked to Safety Aspects/ compliance to Safety Rules' in Schedule-3 (DCB)/ Schedule-4 (ICB).**

3.2 CIVIL WORKS PACKAGES INVITED ON DCB BASIS

[\$\$ Minimum percentage shall be specified by the Package Coordinator (C&M

executive handling the package) as per table under para 2.0 above]

(I) Add the following Para under ‘Clause 12.0- BID PRICES AND PRICE BASIS’ of ITB through BDS:

Clause 12.0 BID PRICES AND PRICE BASIS

12.2 The Bidder shall fill.....
.....ITB Sub-clause 23.6.

Bidders are advised to price their bids in such a manner that the component for ‘Amount linked to Safety Aspects/ compliance to Safety Rules’ should not be less than\$\$......% of the total value for works portion of Contract (i.e. Civil + Structural etc.)

12.12 In case ‘Amount linked to Safety Aspects / compliance to Safety Rules’ is less than **aforsaid minimum percentage specified** of the total value for works portion of Contract (i.e. Civil + Structural etc.), the amount by which it is lower shall be retained proportionately from the other components of Schedule-3/4** of the Contract price while releasing payments of each RA bill. No interest shall be payable on the amounts linked to Safety Aspects / Compliance to Safety Rules including aforsaid retained amount. The amounts linked to Safety Aspects / Compliance to Safety Rules including aforsaid retained amount shall be payable in part or full based on safety compliance duly certified by EIC and Safety-in-charge on quarterly basis.

(II) Insert the following Clauses in GCC through SCC:

Clause no. 10.4.9* Safety

.....

In addition to other clauses specified in ‘NTPC Safety Rules for Construction and Erection of Power Plants’ [as enclosed with GCC/SCC], Contractor shall adhere to the following provisions for payment linked to Safety Compliances as specified in Payment Terms:

i) Safety Personnel

Contractor shall adhere to the requirements of Clause 2.3 (requirement of Safety personnel) of ‘NTPC Safety Rules for Construction and Erection of Power Plants’.

ii) Personal Protective Equipment & Safety Equipment

Contractor shall adhere to the requirements of Clause 4 (Personal Protective Equipment) of ‘NTPC Safety Rules for Construction and Erection of Power Plants’ and the provisions of the Bidding Documents with regards to number of Safety Equipment/PPEs to be provided by the Contractor.

In case Contractor fails to comply with aforesaid requirement, EIC/Safety Officer shall issue a warning letter/Non-compliance Memo to the Contractor regarding the same advising him to take corrective action.

EIC/NTPC Safety Officer shall maintain written record of all such incidents when Warning letter/Non-compliance Memo is issued to the Contractor for not meeting the requirements of Clause 4.0 (Personal Protective Equipment) and the provisions of the Bidding Documents.

iii) **Safety Induction and Training**

Contractor shall adhere to the requirements of imparting Safety training as per Clause 8.0 (Safety Induction and Training) of 'NTPC Safety Rules for Construction and Erection of Power Plants.

Contractor shall maintain written record of Safety trainings imparted to its Employees/ workmen for purpose of aforesaid payment. These records shall be available for review of EIC/NTPC Safety Officer all the time.

iv) **Medical and First Aid Amenities**

Contractor shall adhere to the requirements of Clause 13 (Medical and First Aid Amenities) of 'NTPC Safety Rules for Construction and Erection of Power Plants.

NTPC Safety Officer/EIC shall maintain written record of incidences when requisite Medical and first aid amenities as per Clause 13 of Safety Rules were not available for purpose of aforesaid payment.

v) **Compliance to Work Permit System**

Contractor shall adhere to the requirements of Clause 17 (Work Permit System) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case Contractor fails to obtain work permit or fails to comply to any requirements of aforesaid Work permit system, he will be issued a warning letter/Non-compliance Memo by EIC/Safety Officer of NTPC regarding the same advising him to take corrective action.

NTPC Safety Officer / EIC shall maintain written record of all such incidents when Warning letter / Non-compliance Memo is issued to Contractor for not complying with the requirements of Work Permit System as per Clause 17 of Safety Rules for purpose of aforesaid payment.

Clause no. 24. Payment on Account / Progressive Interim payments

24.10* Payment of Amount linked to Safety Aspects/ compliance to Safety Rules

- I. **The amount linked to Safety Aspects/ compliance to Safety Rules shall be paid in two parts, viz,**

- A) 10% amount (calculated as 0.1 Y of the service portion amount of RA bill) shall be linked to Fatal/Major Accidents, and
- B) 90% amount (calculated as 0.9 Y of the service portion amount of RA bill) shall be linked to various Safety Aspects specified in Safety Rules of NTPC.

NOTE:

$$Y = \frac{\text{Amount linked to Safety Aspects/ Compliance to Safety Rules' specified in Price Schedule}}{\text{Total amount for works Portion of the Contract (Civil + Structural etc.)}} \times 100$$

- II. While raising each RA Bill, Contractor shall claim Amount linked to Safety Aspects/ Compliance to Safety Rules in such a manner that amount claimed is equal to Y% of the total works portion (Civil + Structural etc.) of RA Bill.
- III. This aforesaid amount at para 24.10 (I) shall be withheld from first and second monthly RA bill of the respective quarter/three month period and shall be released in part or full based on safety compliance duly certified by EIC and Safety-in-charge on quarterly basis. The amount for the entire quarter (i.e. RA bills raised during a 3 month period) shall be paid to the Contractors at the end of that three months period along with 3rd/last RA Bill for the quarter/three months period upon complying the following conditions:
 - A) **Amount of RA Bill linked to Fatal/ Major Accidents (0.1Y i.e. 10% of amount as elaborated above at para G.I.A)**

Aforesaid amount (on quarterly basis) shall be payable to Contractor only in case, there is

- i) No fatal injury or accident causing death in that three months period and
- ii) No Major injury or accident causing 25% or more permanent disablement to workmen or employees in that three months period. Permanent disablement shall have the same meaning as indicated in The Workmen's Compensation Act' 1923.

In case of any fatal injury or accident as elaborated above occurs during that three month period, the stipulated amount (0.1Y) subject to minimum of **Rs 10 Lakh per fatality** shall be forfeited and shall not be payable to the Contractor under the contract. In case, the amount to be deducted/forfeited exceeds the amount linked to Fatal/ Major Accidents, the same shall be recovered from remaining Amount (0.9Y) linked to Compliance of Safety Rules and/or any other payments immediately due to the Contractor under the Contract.

In case of any Major injury or accident causing 25% or more permanent

disablement to workmen or employees occurs during that three month period, **Rs 4 lakh per Major injury** shall be deducted from the amount (0.1Y) linked to Fatal/ Major Accidents and shall not be payable to the Contractor under the contract. In case, the amount to be deducted/forfeited exceeds the amount linked to Fatal/ Major Accidents, the same shall be recovered from remaining Amount (0.9Y) linked to Compliance of Safety Rules and/or any other payments immediately due to the Contractor under the Contract.

Further, in case, Contractor doesn't raise RA Bills in any three month period/quarter and if any fatal injury and/or major accident takes place in that period, EIC shall deduct the amount [Rs 10 Lakh per fatality and Rs 4 lakh per Major injury] pertaining to this particular quarter from his next RA bill/due payment. In case, the amount to be deducted/forfeited exceeds the amount linked to Safety, the same shall be recovered from any other payments immediately due to the Contractor under the Contract.

The amount deducted/forfeited as mentioned above shall be in addition to the compensation payable to the workmen / employees under the relevant provisions of the Workmen's Compensation Act' 1923 and rules framed there under or any other applicable laws as applicable from time to time.

B) Amount of RA Bill linked to Compliance of Safety Rules (0.9Y i.e. 90% of amount as elaborated above at para G.I.B)

Aforesaid amount (on quarterly basis) shall be payable to Contractor in five equal parts under five heads as under:

(i) Amount payable on deployment of required Safety Personnel

One fifth of the amount specified in para 24.10.III.B (calculated as 0.18Y of Service portion amount of RA Bill), on quarterly basis, shall be paid upon certification by EIC in consultation with Safety dept. that required number of Safety personnel as per Clause 2.3 of 'NTPC Safety Rules for Construction and Erection of Power Plants' (as enclosed with GCC/SCC) have been deployed. The aforesaid amount linked to deployment of requisite safety personnel shall be paid as under:

- a) 50% of the amount referred at 24.10.III.B.(i), for deployment of Safety Supervisors shall be paid on pro-rata basis depending upon the actual no. of Safety Supervisors deployed vis-à-vis actual requirement :

Amount to be paid = $0.09Y \times \text{Works portion of RA bill amount} \times (a/b)$

Where 'a' is actual no. of Safety supervisors deployed

and

'b' is required no. of Safety supervisors as per Safety Rules.

In case, actual no. of Safety supervisors deployed is more than

requisite number (i.e. a/b is more than 1), the amount to be paid shall be restricted to 0.09Y.

- b) 50% of the amount referred at 24.10.III.B.(i), for deployment of Safety Officers shall be paid on pro-rata basis depending upon the actual no. of Safety Officers deployed vis-à-vis actual requirement :

Amount to be paid = 0.09Y x Works portion of RA bill amount x (a/b)

Where 'a' is actual no. of Safety Officers deployed

and

'b' is required no. of Safety Officers as per Safety Rules.

In case, actual no. of Safety Officers deployed is more than requisite number (i.e. a/b is more than 1), the amount to be paid shall be restricted to 0.09Y.

- c) In case aforesaid requisite no. of Safety personnel are not deployed by Contractor, amount not to be paid as calculated above for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(ii) Amount payable on providing requisite Personal Protective Equipment & Safety Equipment

One fifth of the amount specified in para 24.10.III.B (calculated as 0.18Y of Service portion amount of RA Bill), shall be paid upon certification by EIC in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 4 (Personal Protective Equipment) of 'NTPC Safety Rules for Construction and Erection of Power Plants' and the provisions of the Bidding Documents with regards to number of Safety Equipment/PPEs to be provided by the Contractor.

In case of non-compliance by Contractor, warning letter/Non-compliance shall be issued by EIC/Safety Officer of NTPC as per clause 10.4.9 (ii) of GCC. Further, if more than two such warning letters/Non Compliance Memos are issued in a quarter/three monthly period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(iii) Amount payable on providing requisite Safety Induction and Training

One fifth of the amount specified in para 24.10.III.B (calculated as 0.18Y of Service portion amount of RA Bill), shall be paid upon certification by EIC in consultation with Safety dept. that Contractor has adhered to the requirements of imparting Safety training ad per Clause 8.0 (Safety Induction and Training) of 'NTPC Safety Rules for Construction and Erection of Power Plants' to at least 90% of its employees/workmen (who have not been previously provided with

requisite training) in a quarter/ three months period.

In case Contractor fails in meeting the aforesaid requirement, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(iv) Amount payable on providing requisite Medical and First Aid Amenities

One fifth of the amount specified in para 24.10.III.B (calculated as 0.18Y of Service portion amount of RA Bill), shall be paid upon certification by EIC in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 13 (Medical and First Aid Amenities) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case Contractor fails to provide Medical and first aid amenities as per requirement of aforesaid Clause 13 even on one incidence in any quarter/three month period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

(v) Amount payable on compliance to Work Permit System

One fifth of the amount specified in para 24.10.III.B (calculated as 0.18Y of Service portion amount of RA Bill), shall be paid upon certification by EIC in consultation with Safety dept. that Contractor has adhered to the requirements of Clause 17 (Work Permit System) of 'NTPC Safety Rules for Construction and Erection of Power Plants'.

In case of non-compliance by Contractor, warning letter/Non-compliance shall be issued by EIC/Safety Officer of NTPC as per clause 10.4.9 (v) of GCC. Further, if more than two such warning letters/Non Compliance Memos are issued in a quarter/three monthly period, above mentioned amount for that particular quarter/three month period shall be forfeited and shall not be payable to the Contractor under the contract.

IV. In case 'Amount linked to Safety Aspects / compliance to Safety Rules' is less than^{\$\$}.....% of the total Contract value, the amount by which it is lower shall be retained proportionately from the other components of the Contract price while releasing payments of each RA bill. No interest shall be payable on the amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount. The amounts linked to Safety Aspects / Compliance to Safety Rules including aforesaid retained amount shall be payable in part or full based on safety compliance duly certified by EIC and Safety-in-charge on quarterly basis.

(III) **Modify the Schedule of Quantities (Section-VII) to incorporate a SOQ item namely 'Amount linked to Safety Aspects/ compliance to Safety Rules'.**

** Clause reference number may be appropriately cross-referenced to as mentioned in Bidding Documents of specific package.*

*** Schedule no. may be appropriately cross-referenced as per applicability in case of DCB/ICB.*

- 4.0** The aforesaid provisions with suitable modifications may be incorporated in the bidding documents for packages including O&M packages and any other package where Safety rules are applicable, tendered from various Sites / Regions / Shared Service Centers.

The minimum % for 'Amount linked to Safety Aspects/ compliance to Safety Rules' to be specified in such packages may be decided by the concerned indenting department based on package specific features / requirements with approval of Head of Department not below General Manager. As a broad guideline, generally 5% of Service portion may be considered for specifying minimum % towards 'Amount linked to Safety Aspects/ compliance to Safety Rules'.

- 5.0** This Circular issues with the approval of the Competent Authority and comes into force with immediate effect.

(Praween K Singh)
AGM (CS - P&S)