

NTPC LIMITED
(A Government of India Enterprise)



SECTION – III

***GENERAL CONDITIONS OF CONTRACT
(GCC)
FOR O&M WORKS***

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GENERAL CONDITIONS OF CONTRACT

A. Contract and Interpretation

1. Definitions

- (a) "Employer" / "Owner" / "Corporation" means the NTPC Limited, New Delhi, having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi and shall include their legal representatives, successors and permitted assigns.
- (b) "Contract" means the Contract Agreement entered into between the Employer and Contractor, together with contract documents referred therein. The term "Contract" shall in all such documents be construed accordingly and includes special conditions, specifications, designs, drawings, "Schedule of Quantities/Bill of Quantities" with rates and amount. These documents taken together shall be deemed to form the Contract and shall be complimentary to one another.
- (c) "Contract Documents" mean the following documents that constitute the Contract between the Employer and the Contractor:
 - (i) The Contract Agreement alongwith its appendices
 - (ii) Letter of Award/Service Purchase Order alongwith its appendices including agreed variations annexed.
 - (iii) Amendment to Tender/Bidding Documents
 - (iv) Special Conditions of Contract
 - (v) Technical Specifications & Bid drawings & Field Quality Assurance plan
 - (vi) General Conditions of Contract
 - (vii) The Bid and Schedule of Quantities/ Bill of Quantities submitted by the Contractor
 - (viii) Instructions to Bidders
- (d) "GCC" means the General Conditions of Contract
- (e) "SCC" means the Special Conditions of Contract.
- (f) "Day" means calendar day of the Gregorian Calendar.
- (g) "Week" means a continuous period of seven (7) calendar days.
- (h) "Month" means calendar month of the Gregorian Calendar.
- (i) The "Contractor" means the individual or firm or company whether incorporated or not, undertaking the Works and shall include its legal representatives, successors, and permitted assigns.
- (j) "Sub-Contractor" shall mean a person or a Corporate body approved by Engineer-in-Charge who has entered into a contract with the Contractor to complete a part of the Works.

- (k) The “Contract Sum” / “Contract Price” means:
- (i) In the case of Lump Sum Contracts the sum for which the bid is accepted.
 - (ii) In the case of item Rate Contracts the cost of the Works arrived at after extension of the quantities shown in Schedule of Quantities by the item rates for the various items and summing them to arrive at the total price.
 - (iii) In case of percentage rate contracts, the estimated value of the contracts as mentioned in the tender adjusted by the contractor’s percentage.
- (l) “Engineer-in-Charge/Officer-in-Charge” shall mean the person nominated by the Employer or his duly authorized representative who shall direct, supervise and be in charge of the Works for purposes of the Contract.
- (m) “Market rate” means the rate for an item of Work, determined on the basis of the cost of labour and material brought to Site by Contractor and incorporated in the Works and for use of plant and equipment for the Work executed.
- (n) “Schedule(s) of Quantities” shall mean the priced and completed Schedule of Quantities forming the part of the bid or such Schedule of Quantities forming the part of the Contract, as the case may be, with amendments, if any, thereto.
- (o) The “Site” means the working Project/Station/Region or any other place where the Works is to be executed under the Contract.
- (p) “Temporary/ Enabling Works” means all temporary works of every kind required in or about the execution, completion or maintenance of the Works.
- (q) “Urgent Works” shall mean any urgent measures which, in the opinion of the Engineer-in-Charge, become necessary during the progress of the Works to obviate any risk of accident or failure or which become necessary for reasons of security and safety.
- (r) “The Works” shall mean the Works to be executed in accordance with the Contract or part(s) thereof as the case may be and shall include all extra or additional, altered or substituted works or temporary/ enabling Works and urgent works as required for performance of the Contract.
- (s) “Cost” shall mean all expenditure reasonably incurred or to be incurred by the Contractor or Employer, as the case may be, whether on or off the Site, including overhead and other charges, but excluding profit.
- (t) Throughout these Bidding Documents, the term “Bid” and “Tender” and their derivatives (Bidder/Tenderer, Bidding/Tendering, Bidding Document/Tender Document, etc.); Bill of Quantity / Schedule of Quantity / Schedule of Quantities/ Bill of Quantities; Employer / NTPC; Bid Security / Earnest Money Deposit; Security Deposit / Performance Security/ Performance Guarantee; Engineer-in-Charge / Engineer, appearing any where in the Bidding Documents shall have the same meaning and are synonymous to each other.

2. Heading and Marginal Notes to Conditions

Heading and marginal notes to these General Conditions of Contract shall not be deemed to form part thereof or be taken into consideration in the interpretation or construction thereof or of the Contract.

3. Singular & Plural

Where the context so requires, words importing the singular only will also include the plural and vice versa.

4. Order of the precedence of the Documents

4.1 Subject to order of precedence listed below, all documents forming part of the Contract (and all parts thereof) are intended to be correlative, complementary and mutually explanatory. The Contract shall be read as a whole.

4.2 The order of precedence of documents shall be as under:

- I. The Contract Agreement alongwith its appendices
- II. Letter of Award alongwith its appendices
- III. Special Conditions of Contract
- IV. Technical Specifications & Bid drawings & Field Quality Assurance plan
- V. General Conditions of Contract
- VI. The Bid and Schedule of Quantities/ Bill of Quantities submitted by the Contractor
- VII. Instructions to bidders

An amendment issued after execution of contract agreement shall take precedent over the formal contract and all other contract documents.

4.2 Any error in description, quantity or rate in Schedule of Quantities or any omission therefrom shall not vitiate the Contract or release the Contractor from the execution of the whole or any part of the Works comprised therein according to drawings and specifications or from any of his obligations under the Contract.

5. Instructions and Notices under the Contract:

5.1 Subject as otherwise provided in the Contract, all notices to be given on behalf of the Employer and all other actions to be taken on its behalf may be given or taken by the Engineer-in-Charge or any officer for the time being entrusted with the functions, duties and powers of the Engineer-in-Charge by the Employer. All instructions, notices and communications, etc., under the Contract shall be given in writing.

5.2 The Contractor or his authorised representative shall be in attendance at the Site(s) during all working hours and shall superintend the execution of the Works with such additional assistance in each trade as the Engineer-in-Charge may consider necessary. Orders given to the Contractor's representative shall be considered to have the same force as if they had been given to the Contractor himself.

5.3 The Engineer-in-Charge shall communicate or confirm the instructions to the Contractor in respect of the execution of Work in a 'Works Site Order Book' maintained in the office of the Engineer-in-Charge and the Contractor or his authorised representative shall confirm receipt of such instructions by signing the relevant entries in this Book. If required by the Contractor he shall be furnished a certified true copy of such instruction(s).

6. Contractors Representative

(i) Within seven(7) days of the issuance of Service Purchase Order/Letter of Award the Contractor shall nominate the Contractor's Representative and shall request the Employer in writing to approve the person so nominated. If the

Employer makes no objection to the appointment within fourteen (14) days, the Contractor's Representative shall be deemed to have been approved. If the Employer objects to the appointment giving the reason therefor, then the Contractor shall appoint a replacement within seven (7) days of such objection.

- (ii) The Contractor's Representative shall represent and act for the Contractor at all times during the currency of the Contract and shall give to the Engineer-in-charge all the Contractor's notices, instructions, information and all other communications under the Contract.
- (iii) All notices, instructions, information and all other communications given by the Employer or the Engineer-on-charge to the Contractor under the Contract shall be given to the Contractor's Representative or, in his absence, its deputy, except as herein otherwise provided.
- (iv) The Contractor shall not revoke the appointment of the Contractor's Representative without the Employer's prior written consent, which shall not be unreasonably withheld. If the Employer consents thereto, the Contractor shall appoint some other person as the Contractor's Representative, pursuant to the procedure set out in GCC Sub-Clause 6 (i).
- (v) The Contractor's Representative may, subject to the approval of the Employer (which shall not be unreasonably withheld), at any time delegate to any person any of the powers, functions and authorities vested in him or her. Any such delegation may be revoked at any time. Any such delegation or revocation shall be subject to a prior notice signed by the Contractor's Representative, and shall specify the powers, functions and authorities thereby delegated or revoked. No such delegation or revocation shall take effect unless and until a copy thereof has been delivered to the Employer and the Engineer-in-Charge.
- (vi) Any act or exercise by any person of powers, functions and authorities so delegated to him or her shall be deemed to be an act or exercise by the Contractor's Representative.

7. Laws governing the Contract

This Contract shall be governed by the Indian laws for the time being in force. The Courts at Delhi shall have jurisdiction, in all matters unless otherwise stated in the SCC.

8. Settlement of Disputes

8.1 Engineer-in-Charge/Officer-in-Charge (EIC)

If any dispute or difference of any kind whatsoever shall arise between the Employer and the Contractor in connection with or arising out of the Contract, including, without prejudice to the generality of the foregoing, any question regarding its existence, validity or termination, or the execution of the Works – whether during the progress or after completion of the Works and whether before or after the termination, abandonment or breach of the Contract, the parties shall seek to resolve any such dispute or difference by mutual consultation. Both the parties shall seek to resolve the dispute by mutual consultation within a period of 15 days from the date on which the party raising the dispute first communicated the same in writing to the other party with a copy to Engineer-in-charge.

If the parties are unable to resolve the dispute or difference by mutual consultation, then the dispute shall be referred in writing by either party to the Engineer-in-Charge, with a copy to the other party within a period of fifteen (15) days. The Engineer-in-Charge shall within a period of twenty one (21) days from the date of such request, communicate his decision as is appropriate in his opinion in the matter, to the parties. Such decision of the Engineer-in-Charge shall become final and

binding on the parties unless the dispute or difference is referred to Dispute Resolution Board/ Arbitration in accordance with the requirement stated herein below.

8.2 Dispute Resolution Board/Committee (DRB/DRC)

8.2.1 In case, the decision of the Engineer-in-Charge is not acceptable to any of the parties, the party affected may refer the dispute or difference in writing to the DRB/DRC within a period of twenty-one (21) days from the date of notification of the decision of the Engineer-in-Charge, with a copy to the other party.

8.2.2 The Dispute Resolution Board/Committee shall comprise of either a sole member or three members to be agreed to by the parties, depending upon the nature of dispute or difference and the circumstances thereof. If the parties agree that DRB/DRC shall comprise of a sole member, the parties shall jointly agree to appoint such sole member and the Engineer-in-Charge will notify such appointment. In case the parties agree that DRB/DRC shall comprise of three members, each party shall appoint one member and both the parties shall jointly agree on the appointment of third member, who shall chair the DRB/DRC. If the parties do not succeed in appointing the third member within twenty-eight (28) days after the latter of the two members has been appointed, the third member shall at the request of either party be appointed by the other two members of the DRB/DRC. The Engineer-in-Charge will notify the appointments accordingly. The DRB/DRC will be deemed to be duly appointed upon the nomination of the sole member or the third member (in case of a three member DRB/DRC).

8.2.3 The DRB/DRC shall give its decision in writing to both the parties within forty-two (42) days of the dispute being referred to it. If the DRB/DRC has done so, and if either the Employer or the Contractor is not satisfied with the decision of the DRB/DRC, then the affected party shall within a period of twenty-eight (28) days of the date of decision of the DRB/DRC, shall issue its intention to commence arbitration, failing which the decision of DRB/DRC shall become final and binding on the Employer and the Contractor. Any decision that has become final and binding shall be implemented by the parties forthwith.

8.2.4 Should any member of the DRB/DRC resign or die or should the Employer and Contractor agree that any particular member is not fulfilling his function in accordance with the provisions of the Contract, another member shall be appointed by party / parties concerned, in the same manner as envisaged for appointment of the original member.

8.2.5 Members of the DRB/DRC shall be paid fees plus reasonable expenditure incurred in execution of their duties as members of the DRB/DRC. These costs shall be divided equally between the Employer and Contractor, unless otherwise decided by the DRB/DRC.

8.3 Arbitration

8.3.1 If either the Employer or the Contractor is dissatisfied with the decision of DRB/DRC, or if the DRB/DRC fails to give a decision within forty-two (42) days of a dispute being referred to it, then either the Employer or the Contractor, as the case may be, within a further period of twenty-eight (28) days, may give notice to the other party, with a copy for information to the DRB/DRC, of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute. No arbitration in respect of this matter may be commenced unless such notice is given.

8.3.2 Any dispute or difference in respect of which a notice of intention to commence arbitration as above has been given, shall be finally settled by arbitration.

8.3.3 **Applicable in case of CONTRACTS with firms, other than Public Sector Enterprises**

8.3.3.1 Any dispute or difference submitted by a party to arbitration shall be heard by an arbitration tribunal consisting of three arbitrators, in accordance with the provisions set forth below:

(a) The Employer and the Contractor shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall act as the Presiding Arbitrator of the arbitration tribunal. If the two arbitrators do not succeed in appointing a third arbitrator within twenty-eight (28) days of the latter of the two arbitrators has been appointed, the third arbitrator shall be appointed by the parties.

(b) If one party fails to appoint its arbitrator within forty-two (42) days after the other party has named its arbitrator, the party which has named an arbitrator may request the President of the Institution of Engineers, India to appoint the second arbitrator.

8.3.3.2 Should any member of the arbitration tribunal resign or die or should the Employer and Contractor agree that any particular member is not fulfilling his function in accordance with the provisions of the Contract, the mandate of the arbitrator shall terminate in accordance with the provisions of the applicable laws as mentioned in GCC Sub-Clause 8.3.3.3 below and a substitute shall be appointed in the same manner as the arbitrator whose mandate had terminated as above.

8.3.3.3 Arbitration proceedings shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996, including any statutory modifications or re-enactment thereof and the rules made thereunder. The place of arbitration shall be New Delhi or at a place otherwise stated in SCC. The language of arbitration shall be the language in which this Contract is being executed.

8.3.3.4 The decision of the majority of the arbitrators (or of the third arbitrator chairing the arbitration tribunal, if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction as a decree of the court. The parties thereby waive any objections to or claims of immunity from such enforcement.

8.3.3.5 The arbitrator(s) shall give reasoned award.

8.3.4 **Applicable in case of CONTRACT with Public Sector Enterprise**

In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India in-charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusively. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator.

(DPE O.M. No. DPE/4(1)/2011-DPE(PMA)-GL dated 12th June 2013)

8.3.5 Notwithstanding any reference of dispute or difference for resolution under provisions of GCC Clause entitled 'Settlement of Disputes' herein,

- (a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree
- (b) the Employer shall pay the Contractor any monies due to the Contractor.

8.3.6 (A) **Arbitrators Fee**

(I) The Arbitrators shall be paid fees at the following rates:

Amount of Claims and Counter Claims (excluding interest)	Lump sum fees (including fees for study of pleadings, case material, writing of the award, secretarial charges etc.) payable to each arbitrator (to be shared equally by the parties)
Up to Rs.50 lakhs	Rs.10,000/- per meeting subject to a ceiling of Rs. 1,00,000/-.
Above Rs.50 lakhs to Rs.1 Crore	Rs.1,35,000/- plus Rs.1,800/- per lakh or a part there of subject to a ceiling of Rs. 2,25,000/-.
Above Rs.1 crore and up to Rs.5 Crore	Rs.2,25,000/- plus Rs.33,750/- per crore or a part thereof subject to a ceiling of Rs.3,60,000/-.
Above Rs. 5 Crore and up to Rs.10 Crore	Rs.3,60,000/- plus Rs.22,500/- per crore or a part thereof subject to a ceiling of Rs. 4,72,500/-.
Above Rs.10 Crore	Rs.4,72,500 plus Rs.18,000/- per crore or part thereof subject to a ceiling of Rs. 10,00,000/-.

If the claim is in foreign currency, the SBI Bills Selling Exchange rate prevailing on the date of claim shall be used for the purpose of converting the claim in Indian Rupee which may be used for determining the arbitration fee as brought out above.

(II) If after commencement of the Arbitration proceedings, the parties agree to settle the dispute mutually or refer the dispute to conciliation, the arbitrators shall put the proceedings in abeyance until such period as requested by the parties. Where the proceedings are put in abeyance or terminated on account of mutual settlement of dispute by the parties, the fees payable to the arbitrators shall be determined as under:

- (i) 20% of the fees if the claimant has not submitted statement of claim
- (ii) 40% of the fees if the pleadings are complete
- (iii) 60% of the fees if the hearing has commenced
- (iv) 80% of the fees if the hearing is concluded but the award is yet to be passed.

(III) Each party shall pay its share of arbitrator's fees in stages as under:

- (i) 20% of the fees on filing of reply to the statement of claim
- (ii) 40 % of the fees on completion of pleadings
- (iii) 20% of the fees on conclusion of the final hearing
- (iv) 20% at the time when award is given to the parties

(IV) Each party shall be responsible to make arrangements for the travel and stay etc. of the arbitrator appointed by it. As regards the Presiding Arbitrator, the expenses incurred on his travel/stay shall be shared equally by the parties.

(V) The parties agree that they shall appoint only those persons as arbitrators who accept the conditions of arbitration clause, including the fees schedule provided herein. No person shall be appointed as

arbitrator or presiding arbitrator who does not accept the conditions of arbitration clause including the fee schedule provided hereinbefore.

(B) Arbitration Period

The arbitrators shall make and publish the award within time stipulated as under:

Amount of Claims and Counter Claims (excluding interest)	Period for making and publishing of the award (counted from the date of first meeting of the arbitrators)
Up to Rs. 5 Crore	Within 8 months
Above Rs. 5 Crore	Within 12 months

The above time limit can be extended by the arbitrators, for reasons to be recorded in writing, with the consent of the parties

B. Subject Matter of Contract

9. Scope of Contract

The Work to be carried out under the Contract shall be as delineated in Bidding Documents and shall, except as otherwise provided in these conditions, include all labour, materials, tools, plant, equipment, and transport which may be required in preparation of and for and in the full and entire execution and completion of the Works.

10. Notices to Local Bodies

10.1 The Contractor shall comply with and give all notices required under any Governmental authority, instrument, rule or order made under any Act of Parliament, State Laws or any regulation or bye-laws of any local authority relating to the Works. He shall before making any variation from the Contract necessitated by such compliance give to the Engineer-in-Charge a written notice giving reasons for the proposed variation and obtain the Engineer-in-Charge's instructions thereon, in writing.

10.2 The Contractor shall pay and indemnify the Employer against any liability in respect of any fees or charges payable under any Act of Parliament, State laws or any Government instrument, rule or order and any regulations or bye-laws of any local authority in respect of the Works.

11. Human Resources

11.1 The Contractor for the purpose of the Contract shall engage / employ adequate number of key personnel in all areas such as operation, maintenance, repair, testing, inspection, design / engineering (wherever applicable), planning, scheduling and construction and carrying out of all maintenance of his plant and equipment (as detailed in the SCC) and competent and skilled work force as directed by the Engineer-in-Charge. The Engineer-in-Charge will approve any proposed replacement of such key personnel including work force only if their qualifications, experience, competence and capabilities are substantially equal to or better than those personnel originally identified and approved by the Engineer-in-Charge.

11.2 The Engineer-in-Charge may require the Contractor to remove from Site of Works or from any other area of Work related to the Contract, any member of the Contractor

personnel or work force who

- (i) Persists in any misconduct or lack of care
- (ii) Performs his duties incompetently or negligently or otherwise carelessly
- (iii) Fails to conform with any provisions of the Contract or
- (iv) Persists in any conduct which is prejudicial to the safety, health or protection of the Work and environment.

If appropriate, the Contractor shall appoint a suitable replacement within fourteen (14) days or within such period as may be agreed between the Engineer-in-Charge and Contractor.

11.3 The Contractor shall unless otherwise provided in the Contract, make his own arrangement for engagement of all staff and labour, local or otherwise and for their payment, housing, transport, lodging and welfare as may be required by law and or by industry practice. The Contractor shall provide the Engineer-in-Charge a return in detail in such form and at such intervals as he may reasonably prescribe showing the staff and number of the several classes of labour and other staff from time to time employed by the Contractor at Site or in connection with the Work along with such information as the Engineer-in-Charge may reasonably require.

11.4 **Labour laws and Regulations and compliance thereof**

11.4.1 During the entire period of Contract, the Contractor and his Sub-Contractors shall, at all times abide by all existing labour enactments, rules made therein, regulations, notifications and bye-laws by the appropriate government, local authority or any other labour laws or notification that may be issued under any labour law prevailing as on the date seven (7) days prior to the date set for opening of the bids, published by the State or Central Government or Local Authorities.

During the entire period of Contract, the Contractor and his Sub-Contractors shall, at all times abide by the following Acts/Statutes related to Human Resources:

1. Factories Act, 1948;
2. Contract Labour (Regulation & Abolition) Act, 1970;
3. EPF & MP Act, 1952;
4. Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996;
5. ESI Act, 1948;
6. Minimum Wages Act, 1948;
7. Payment of Wages Act, 1936;
8. Payment of Bonus Act, 1965;
9. Payment of Gratuity Act, 1972;
10. Workmen's Compensation Act, 1923;
11. ID Act, 1947;
12. Maternity Benefit Act, 1961;
13. Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Act, 1979;
14. Fatal Accidents Act, 1855
15. Model Welfare Code
16. The Building And Other Construction Workers' Welfare Cess Act, 1996
17. The Carriage by Road Act, 2007.

The above will deem to include all relevant/applicable rules made thereunder, regulations, notifications and bye laws of the State or Central Govt. or the local authority and any other labour law (including rules) regulations, bye laws as well as those that may be passed or notification that may be issued under any labour law present and in future either by State or Central Govt. or by local authority.

This list is not in any way exhaustive and shall not absolve the Contractor from any of his liabilities or responsibilities in compliance with any other laws, regulations, notifications that may be in force during the tenure of Contract.

- 11.4.2 The Contractor and his Sub-Contractors shall indemnify the Employer, from any action taken against the Employer by any competent authority in connection with the enforcement of the applicable laws, regulations, notifications, on account of contravention of any of the provisions therein, including amendments thereto. If the Employer is caused to pay or otherwise made liable, such amounts as may be necessary for non-observance of the provisions stipulated in the laws, rules, notifications including amendments, if any on the part of the Contractor and/or his Sub-Contractors, the Engineer-in-Charge / Employer shall have the right to deduct any such money from any amount due to the Contractor including his performance security, under the Contract. The Employer shall also have the right to recover from the Contractor any sum required or estimated as required for making good any loss or damage suffered / likely to be suffered by the Employer, on this account.
- 11.4.3 If due to an enactment of any new Act or Statute and rules made thereunder or any modification to the Acts/Statute or rules made thereunder, all after seven (7) days prior to the date set for opening of bids and as a consequence thereof, the Contractor has to incur additional cost or expenditure, the same will be reimbursed by the Employer to the Contractor, excepting those due to reasons attributable to the Contractor and those being already compensated by other provisions of the Contract, like Price Adjustment, Taxes and Duties etc.
- 11.4.4 It is specifically agreed that the Contractor and his Sub-Contractors shall obtain all the necessary registration, licenses, permits, authorisations etc. required under various enactments / Regulations enforced from time to time, specifically registration as employer under Provident Fund Act and Contract Labour Regulation & Abolition Act, and the Employer shall not be liable for any violation by the Contractor in this regard.
- 11.4.5 The employees of the Contractor or his Sub-Contractor(s) shall in no case be treated as the employees of the Employer at any point of time.
- 11.4.6 The Contractor and his Sub-Contractors shall be liable to make all due payments to all their employees and ensure compliance with labour laws. If the Employer, is held liable as 'PRINCIPAL EMPLOYER' or otherwise to incur any expenditure or to make any contributions under any legislation of the Government or Court decision, in respect of the employees of the Contractor or his Sub-Contractors, then the Contractor would reimburse the amounts of such expenditure/contribution so made by the Employer.
- 11.4.7 The Contractor shall employ labour in sufficient numbers to maintain the required rate of progress and of quality to ensure workmanship of the degree specified in the contract and to the satisfaction of the Engineer-in-charge.
- 11.4.8 The contractor shall be liable to pay his contribution and the employees contribution to the State Insurance Scheme in respect of all labour employed by him for the execution of the contract, in accordance with the provision of "The Employees State Insurance Act, 1948" as amended from time to time. In case the contractor fails to submit full details of his account of labour employed and the contribution payable, the Engineer-in-charge shall recover from the running bills of Contractor an amount of contribution as assessed by him. The amount so recovered shall be adjusted against the actual contribution payable to Employees State Insurance.

However, in case the ESI act is not applicable to the area where the Work is executed, as evidenced by the Certificate/Letter submitted to this effect from the

local authorities, the Contractor shall be liable to arrange and pay for the expenses towards the medical treatment in respect of all labour employed by him for the execution of the Contract.

11.4.9 Staff quarters & labour hutments at Site if available, may be provided to the Contractor on chargeable basis at the discretion of the Engineer-in-Charge on mutually agreed terms and conditions.

11.4.10 **Safety**

The Contractor, including his sub-contractors, while executing the Works, will strictly comply with the statutory requirements (including amendments thereof), as applicable, in respect of safety of his employees, equipment and materials as well as employees, equipment and materials of employer / other contractor / agencies. The contractor will also comply with the provisions of NTPC Safety Rules as issued from time to time and displayed on NTPC's tender website <http://www.ntpctender.com>. The detailed requirements to be complied by the Contractor with regard to the safety of his personnel, equipment and materials are enumerated in the Technical Specifications.

12. **Shift Work**

12.1 To achieve the required rate of progress in order to complete the Works within the Time for Completion, the Contractor may carry on the work, round the clock, in multiple shifts per day, as may be necessary. The Contractor shall however be responsible for complying with all applicable laws in this regard.

12.2 No additional payment will be made on account of round the clock working in multiple shifts.

12.3 Wherever the work is carried out at night adequate lighting of working areas and access routes for pedestrians or vehicles shall be provided by the Contractor at his cost. Sufficient notice should be given by the Contractor to the Engineer-in-Charge regarding the details of works in shifts so that necessary supervision could be provided.

13. **Cooperation with other Contractors/ Agencies**

13.1 The Contractor shall extend all reasonable cooperation to other Contractors, agencies etc. of the Employer engaged in connection with the Work or any other Work not in the scope of this Work as may be required by the Engineer-in-Charge.

13.2 The Contractor shall attend at his cost, all the meetings with the Engineer-in-Charge, other contractors and the Consultants of the Employer for the purposes of the Contract. The Contractor shall attend such meetings as and when required by the Engineer-in-Charge.

14. **Security Watch and Lighting**

The Contractor shall provide and maintain at his own expense all lights, guards, fencing and watching when and where necessary or required by the Engineer-in-Charge for the protection of the Works or for the safety and convenience of those employed on the Works or the public.

15. **Prevention of Pollution**

The Contractor shall make necessary arrangement to prevent pollution. of the water in any adjacent water bodies including stream, springs, nallah, river and lakes etc.

The Contractor shall be solely responsible and liable for all damage caused by any pollution that may take place during the execution of the Work.

16. Training of Apprentices

The Contractor shall during the currency of the Contract when called upon by the Engineer-in-Charge engage and also ensure engagement by Sub-Contractors employed by the Contractor in connection with the Works, such number of Apprentices in the categories and for such periods as may be reasonably required by the Engineer-in-Charge. The Contractor shall train them as required under the Apprentices Act, 1961 and shall be responsible for all obligations of the Employer under the Act including the liability to make payment to apprentices as required under the Act.

17. Handing over of Site

17.1 The Employer shall make available the Site to the Contractor as soon as possible after the award of the Contract free of encumbrance. The Contractor shall not be permitted to enter on (other than for inspection purposes) or take possession of the Site until instructed to do so by the Engineer-in-Charge in writing.

17.2 The Employer reserves the right to hand over the Site in parts progressively to the Contractor. The Contractor will be required to take possession of the Site without any undue delay and do Work on the released fronts in parts without any reservation whatsoever.

17.3 However, in case of any delay in handing over of the Site to the Contractor, which delays the performance of the Work, commensurate to the resources mobilised by the Contractor, then the Contractor will be eligible for suitable extension in time for completion of the Works or any other compensation as per the provisions of GCC Sub-Clause 25.6.

17.4 The portion of the Site to be occupied by the Contractor shall be indicated by the Engineer-in-Charge at Site and the Contractor shall on no account be allowed to extend his operations beyond these areas. Further, the Contractor shall not hinder in any way the working of other contractors on the Site.

17.5 The Contractor shall plan his work as per space available. The Contractor shall make his own arrangement for movement of men, machinery, other equipment etc. required for carrying out the Works included under this Contract

17.6 The Contractor shall provide, if necessary, all temporary access to the Work Site and shall alter, adapt and maintain the same as required from time to time and shall take up and clear them away as and when no longer required and, as and when ordered by the Engineer-in-Charge and make good all damage done to the Site.

17.7 The Contractor shall be permitted the usage of facilities like stair case, lifts etc. of the Employer for the purposes of the Contract. If any damage is done to the facilities by the Contractor, the same shall be made good by the Contractor at his own cost, but as may be directed by the Engineer-in-Charge.

18. Duties and Powers of Engineer-in-Charge and his representatives

18.1 The Engineer-in-Charge shall have the full powers in respect of all the matters in connection with or arising out of this Contract, excepting those specifically reserved for the Employer. However, the Engineer-in-Charge shall not have any power to relieve the Contractor of any of his obligations and responsibilities under the Contract.

- 18.2 The duties of the representative of the Engineer-in-Charge are to watch and supervise the Works and to test and examine any materials to be used or workmanship employed in connection with the Works. He shall have no authority to order any work involving any extra payment by the Employer nor to make any variation in the Works, creating a financial liability to the Employer.
- 18.3 The Engineer-in-Charge may from time to time in writing delegate to his representative any of the powers and authorities vested in the Engineer-in-Charge and shall furnish to the Contractor a copy of all such written delegation of powers and authorities. Any written instruction or written approval given by the representative of the Engineer-in-Charge to the Contractor within the terms of such delegation shall bind the Contractor and the Engineer-in-Charge as though it has been given by the Engineer-in-Charge.
- 18.4 Failure of the Representative of the Engineer-in Charge to disapprove any work or materials shall not prejudice the power of the Engineer-in-Charge thereafter to disapprove such Work or materials and to order the pulling down, removal or breaking up thereof.
- 18.5 If the Contractor shall be dissatisfied with any decision of the representative of the Engineer-in-Charge he shall be entitled to refer the matter to the Engineer-in-Charge who shall there-upon confirm, reverse or vary such decision.

C. Payment

19. Security Deposit

- 19.1.1 The Contractor shall provide a Security Deposit in the amount equivalent to 10% (ten percent) of the contract value. The Security Deposit shall be held by the Employer as security for the due performance of the Contractor's obligations under the Contract.
- 19.1.2 The Bid security/Earnest money deposit furnished by the Contractor will be treated as part of the security deposit. However, if the earnest money deposit is in the form of a bank guarantee, the Contractor will be required to replace it with initial security deposit of equivalent value in one of the forms given here-in-after, within 30 days of issue of Letter of Award/Service Purchase Order. This shall be subject to adjustment while deducting security deposit from the first on account payment.

Further, the Employer at the time of making payment deduct security deposit at the rate of 10 per cent of gross amount of each on account payment until the security deposit so deducted reaches the values mentioned above.. The deductions for the retention of money(ies) will be stopped after the security deposit limit of 10% (ten percent) of the Total Contract Value is reached, unless otherwise required in terms of clause 19.1.3.

The earnest money furnished by the Contractor shall be returned / refunded to him after receipt of the aforesaid bank guarantee and after verification of aforesaid bank guarantee from the issuing bank.

- 19.1.3 The Contractor may, at any time and from time to time, during the course of or after completion of the work, with the permission of the Employer, substitute his cash security deposit, including retention money(ies) deducted from his bills and lying with the Employer, by Bank Guarantee(s) in the prescribed proforma from a Bank acceptable to the Employer and withdraw the equivalent cash amount(s), provided the amount covered by any such Bank Guarantee is not less than Rs.1 lakh (Rupees One lakh only).

If at any time during the course of the work, the gross value of the work, as reflected by the Running Bills submitted by the Contractor has in the opinion of the Employer (which shall be final and binding on the Contractor), exceeded or is likely to exceed the Total Contract Value indicated in the acceptance of Tender, the Contractor shall be bound to pay further Security Deposit as will make up the total Security Deposit to 10%(ten percent) of the then anticipated Contract Value in any of the forms mentioned above failing which the Employer shall be at liberty to make such deductions towards Security Deposit from the Contractor's Running Bills, and will, at all times, ensure that the Security Deposit does not fall below 10% (ten percent) of the gross value of the work, as reflected by the gross payments made to the Contractor, without taking into account any deductions. If the shortfall in Security Deposit is discovered after completion of the work, the shortfall shall be made good by the Contractor on demand from the Employer, failing which, it will be recovered from any money(ies) due to the Contractor from the Employer under this contract or any other contract with the Corporation.

19.1.4 The Contractor, if he so desires, can also furnish a full Security Deposit of 10% (ten percent) of the Total Contract Value towards faithful performance of the Contract, in one or more of the following modes:

- a) by Demand draft/Pay Order/Bankers Cheque drawn in favour of "NTPC Ltd." payable at place mentioned in SCC (Cheques shall not be accepted) or any other mode specified in SCC.
- b) If the Earnest Money Deposit has been made by Demand Draft, the Contractor may be permitted to adjust the same towards part of the Initial Security Deposit and pay the balance in the manner stipulated at (a) above.
- c) By Bank Guarantee(s) in the prescribed form as included in the Tender Documents, from a Bank in India acceptable to the Employer, provided the amount covered by such Bank Guarantee is not less than Rs.1,00,000/- (Rupees One Lakh only). The format of the said bank guarantee shall be in accordance with the format included in the Section VII (Forms and Procedures). This bank guarantee shall have an initial validity upto ninety (90) days beyond the completion of Defect Liability Period of the Contract. However, in case the date of completion of defects liability period gets extended, the validity of the Security Deposit shall be extended by the period of extension of completion of defects liability.
- d) Any other mode specified in the SCC/ITB.

19.1.5 If after completion of the work, the Total Contract Value falls below the Total Contract Value as indicated in the Letter of Award/Service Purchase Order/Acceptance of tender, such that the total Security Deposit in the hands of the Employer is in excess of the Total Security Deposit calculated at 10% (ten percent) of the reduced contract value, such excess amount, as is in the form of cash in the hands of the Employer, shall be refunded to the Contractor along with the Final Bill.

If the Security Deposit furnished by the Contractor to the Employer in the form of Bank Guarantees, the Contractor shall be permitted to replace the Bank Guarantee(s) already submitted, by Bank Guarantee(s) to cover the reduced value of Security Deposit, at the time of final bill.

19.1.6 The Contractor shall from time to time at the request of the Employer suitably extend the validity of any Bank Guarantee (whether furnished by way of Initial Security Deposit or Security Deposit) for such period(s) as may from time to time be required by the Employer failing which, without prejudice to any other right or remedy available to the Employer, the Employer shall be entitled to encash the Bank Guarantee.

- 19.2 The Engineer-in-Charge shall release/refund one half (50%) of the Security deposit refundable to the Contractor on completion of work. The Contractor shall along with his request submit the following:
- (i) Work completion certificate in terms of GCC clause 43
 - (ii) Reconciliation of free issue material, if any.
 - (iii) Reconciliation of Statutory requirements of PF, ESI etc. as applicable,
 - (iv) Submission of "Certificate Regarding Labour Payments and Statutory Requirements"

The Contractor shall have to provide any other declaration forms required to be submitted.

The Engineer-in-Charge shall on demand from the Contractor release the balance security deposit on expiry of the Defects Liability Period or on payment of the amount of the Final Bill payable, whichever is later, provided the Engineer-in-Charge is satisfied that there is no demand outstanding against the Contractor, arising out of the Contract. The Contractor shall have to provide necessary declaration forms.

- 19.3 No interest shall be payable to the Contractor against the Security Deposit furnished/recovered by way of deductions from running account payments from the Contractor, by the Employer.

20. Payment on Account/Progressive Interim Payments

Unless otherwise specified in the SCC, payment to the Contractor shall be released as per the provisions made herein below.

- 20.1 Bills for progressive payments shall be submitted by the Contractor on monthly basis on or before the date fixed by the Engineer-in-Charge for the Work executed during the preceding period. The Engineer-in-Charge shall then arrange to have the bill verified for payment. The Contractor is to submit all related documents with the bill to EIC as applicable like PF deposit receipt, ESI deposit receipt, Labour payment receipts, Insurance Cover (as per provisions given else where in the GCC). However, for the first RA bill PF and ESI deposit receipt copy shall not be insisted upon.
- 20.2 The progressive payment shall be released after certification by Employer's Field Quality Assurance Department (as applicable), that the Works have been performed in accordance with the Technical Specifications and also upon authorisation for the payment by the Engineer-in-Charge. However, the release of first progressive interim payment shall also be subject to submission of documentary evidence by the Contractor towards having taken the insurance policy(ies) in terms of relevant provisions of GCC Clause entitled 'Contractor's Liability and Insurance' and acceptance of the same by Engineer-in-Charge.
- 20.3 (i) In case of part acceptance of the Work, the Engineer-in-Charge shall have the right to release payment for that part of the Work.
- (ii) Acceptance of the Work without fulfilling all the obligations mentioned under rates and measurement in Technical Specifications shall be considered as part acceptance of Work.
- 20.4 The Contractor shall submit his bill, by the date stipulated by the Engineer-in-Charge, in the prescribed proforma, supported with measurements, jointly acknowledged and accepted in the measurement books. Payments of the Contractor's bill shall be paid by the Employer within twenty-one (21) days from the date of submission of complete bill subject to the authorisation of the Engineer-in-

Charge. Alternatively, if so desired by the Contractor, after preliminary scrutiny and certification by the Engineer-in-Charge, 75% of the certified net payable amount shall be made by the Employer within seven (7) days. The amount certified shall account for all deductions, including statutory deductions as for sales tax, income tax, etc., recoveries for advances and any other amounts due from the Contractor. The balance 25% shall be paid within twenty-one (21) days, from the date of submission of the said bill. Such payments made by the Employer shall not constitute any acceptance of the measurements of items of the Works by the Employer and the Engineer-in-Charge shall have the right to alter, modify, reduce or diminish the quantities or classification entered in the Measurement Books or Bills. The Employer shall have right to recover any amount paid in an earlier bill from any subsequent bill and should the amount to be recovered be more than the amount of the subsequent bill, the Contractor shall on demand from the Engineer-in-Charge or Employer immediately refund the extra amount to the Employer within seven(7) days. Wherever technically feasible, the payments shall be released electronically only as per details of bank account indicated in the Contract.

20.5 Any interim certificate given relating to Work done or materials delivered, may be modified or corrected by any subsequent interim certificate or by the final certificate. No certificate of the Engineer-in-Charge supporting an interim payment shall itself be conclusive evidence that any Work or materials to which it relates is/are in accordance with the Contract.

20.6 In case of the delayed Work beyond the scheduled completion period, pending consideration of extension of time of completion if it had been requested by the Contractor, interim payments shall continue to be made as herein above provided.

21. Contract Price

The Contract price shall remain **FIRM** through out the contract period and will be NOT be subject to adjustment for price escalation during the performance of the Contract until unless specified otherwise in the SCC.

22. Taxes, Duties, Levies etc.

22.1 Except as other wise specifically provided in the Contract, the Contractor shall be liable and responsible for the payment of all taxes, duties, levies and charges imposed on the Contractor, its Sub-Contractors and those imposed on the Contractor's equipment, materials, supplies and services to be used in the performance of the Contract or furnished under the Contract.

22.2 The Contractor shall be responsible for payment of any tax levied on the transfer of property and goods involved in the 'Composite/Works Contract' in accordance with the applicable Act or Notification(s) by the State or Central Government or other authorities and rules made thereunder including amendments, if any. The liability on account of such tax as per the rates of tax prevailing as on seven(7) days prior to the date of bid opening is to the account of the Contractor. In case of any variation in the rates of the tax after seven (7) days prior to date of bid opening, the same shall be paid/ reimbursed to the Contractor subject to submission of documentary evidence and proof of having made the payment at the revised rate.

22.3 It shall be incumbent upon the Contractor to obtain a registration certificate as a dealer under the local Sales Tax Act, Central Sales Tax Act, Service Tax Law, Works Contract Cess Law, and other law(s) relating to levy of tax, duty, cess etc. and necessary evidence to this effect shall be furnished by the Contractor to the Employer.

- 22.4 The Contract Price shall also be inclusive of Service Tax applicable on services such as Construction Services / Works Contract Services etc. as per the rates prevailing as on seven (7) days prior to the date of bid opening. In case of any variation in the rate of Service Tax during the period of Contract, an equitable amount shall be payable to/recoverable from the Contractor to fully take into account any such change on production of satisfactory documentary evidence. The Contract Price shall also be inclusive of any Seigniorage Fee or Royalties or cess or other charges payable on the quarried or mined metal, minerals or minor minerals, as the case may be, at the rate(s) prevailing within seven (7) days prior to the date of bid opening. In case of variation in the rate of Seigniorage Fee or royalties during the period of contract, an equitable amount shall be paid to/recovered from the Contractor, upon the submission of satisfactory documentary evidence.
- 22.5 Where Employer as a service receiver is liable to pay Service Tax, in such case the Contractor shall also include in the price Service Tax payable by Employer as a service receiver in order to ascertain the amount of service tax payable by Employer. Service tax quoted to be inclusive of the tax component to be deducted by the Employer and deposited with the concerned authorities.
- 22.6 If a new tax, duty or levy is imposed under statute or law in India after the date seven (7) days prior to date of bid opening and the Contractor becomes liable there under to pay and actually pays the said new tax, duty or levy for bonafide use on the Works contracted, the same shall be reimbursed to the Contractor against documentary evidence of proof of payment, provided that the amount thus claimed is not paid/payable under price variation provision of the Contract.
- If an existing tax is abolished, or any change in interpretation or application of any tax occurs in the course of the performance of contract, which was or will be assessed on the bidder in connection with performance of the contract, an equitable adjustment of the contract price shall be made to fully take into account any such change by addition to the contract price or deduction there from as the case may be.
- 22.7 The payment/reimbursement of statutory variations in the rates of tax and/or of new tax, duty or levy imposed under statute or law in India as per GCC Sub-Clauses 22.2, 22.3, 22.4, 22.5 and 22.6 above, would be restricted only to direct transactions between the Employer and the Contractor.
- 22.8 The Employer shall be entitled to make necessary tax deductions at source as per the prevalent laws. The Contractor shall be required to submit the PAN details to the Engineer-in-Charge before the submission of the first bill/ invoice under the Contract.
- 22.9 The Contractor shall himself be informed of all the applicable laws, notifications, rules, circulars and other communications of the State or Central or other authorities with regard to levy of any tax, duty, cess, levy or fee etc, which in any manner may impinge upon him in performance of any obligations/responsibilities under or arising out of the Contract.
23. **Overpayments and Underpayments**
- 23.1 Wherever any claim for the payment of a sum of money to the Employer arises out of or under this Contract against the Contractor, the Contractor upon demand by the Employer or by the Engineer-in-Charge on behalf of the Employer, with explanation of the reasons for such a sum/ claim becoming due, shall forthwith pay the same to the Employer. If the Contractor fails to do so within twenty-one(21) days of such a claim, then the same may be deducted by the Employer from any sum then due or which at any time thereafter may become due to the Contractor under this Contract or from any other sum due to the Contractor from the Employer which may be available with the Employer or from his security deposit.

- 23.2 The Employer reserves the right to carry out post payment audit and technical examination of the final bill including all supporting vouchers, abstracts, etc. The Employer further reserves the right to enforce and recover any overpayment when detected, notwithstanding the fact that the amount of the final bill may include any item which is under dispute between the parties and referred to for settlement under GCC Clause entitled 'Settlement of Disputes' and notwithstanding the fact that the amount of the final bill figures in the arbitration decision/award.
- 23.3 If as a result of such audit and technical examination, any overpayment is discovered in respect of any Work done by the Contractor or alleged to have been done by him under the Contract, it shall be recovered by the Employer from the Contractor by any or all of the methods prescribed above. Similarly if any underpayment is discovered by the Employer, the amount shall be duly paid to the Contractor by the Employer forthwith.
- 23.4 Provided that the aforesaid right of the Employer to adjust overpayments against amounts due to the Contractor under any other Contract with the Employer shall not extend beyond the period of two years from the date of payment of the final bill or in case the final bill is a minus bill, from the date the amount payable by the Contractor under the minus final bill is communicated to the Contractor.
- 23.5 Any amount due to the Contractor under this Contract for underpayment may also be adjusted against any amount then due or which may at any time thereafter become due from the Employer to the Contractor under any other Contract or account whatsoever.

24. Time Limit for submission & payment of Final Bill and waiver of rights of all claims

24.1 The final bill shall be submitted by the Contractor within one (1) month of physical completion of the Works unless otherwise a longer period is agreed to between the Engineer-in-Charge and the Contractor. No further claims shall be made by the Contractor after submission of the final bill and these shall be deemed to have been waived and extinguished. Payment of the final bill will be made within two (2) months of receipt of the same.

24.2 MODE OF PAYMENT

24.2.1 Wherever technically feasible, the payments shall be released electronically only as per details of bank account indicated in the EFT Form by the Contractor duly certified by the Bank alongwith cancelled cheque. The Contractor shall hold the Employer harmless and Employer shall not be liable for direct, indirect or consequential loss or damage sustained by the Contractor on account of any error in the information or change in bank details provided to the Employer in the prescribed form without intimation to Employer duly acknowledged.

24.2.2 If the payment due to the Contractor is made by the Employer by crossed account payee cheque, the same shall be forwarded to the address given in the Service Purchase Order/Contract Agreement.

D. Execution of Facilities

25. Work Commencement, Execution & Delays, Time extension, Liquidated Damage(LD)

25.1 Commencement of Works

The execution of the Works shall commence from the date of award unless specified otherwise in the Contract.

25.2 Time for Completion

The entire scope of Work covered under this Contract shall be completed within the time stated in SCC or within such extended time granted to the Contractor by the Employer under the provisions of GCC Sub-Clause 25.4. The time allowed for execution of the Works as specified in the SCC or the extended time in accordance with these Conditions shall be the essence of the Contract.

25.3 Work Progress

25.3.1 Unless already incorporated in the Letter of Award/Service Purchase Order, as soon as possible after the Contract is awarded, the Engineer-in-Charge and the Contractor shall agree upon a Work Schedule which will become the Contract Work Schedule. The Work Schedule shall be prepared in direct relation to the time stated in the Contract documents for the completion of the Works. The Work Schedule shall indicate the forecast of the dates of commencement and completion of various trades or sections of work.

25.3.2 All the Contractor's activities shall be performed and completed strictly in accordance with the agreed Work Schedule and to achieve the targets, the Contractor shall have to plan adequate mobilisation of all resources. The Engineer-in-Charge, shall however, have the right to review the progress and modify the sequence of carrying out the Work suiting the Site conditions and the Contractor shall be required to comply with such modifications and complete his activities in accordance thereof without any extra cost to the Employer.

25.3.3 Progress Review Meetings

The Contractor shall attend all periodic progress review meetings organized by the Engineer-in-Charge or his authorized representative. The deliberations in the meetings shall inter alia include the scheduled program, progress of work achieved (including details of manpower, tools and plants deployed by the Contractor vis-a-vis agreed Work Schedule), inputs to be provided by Employer, delays, if any and recovery programme, specific hindrances to the Work and work instructions by Engineer-in-Charge. The minutes of such meetings shall be recorded in a register. These recordings shall be jointly signed by the Engineer-in-Charge or his authorized representatives and the Contractor and a copy of the signed records shall be handed over to the Contractor.

25.4 Extension of Time for Completion

25.4.1 The Time for Completion specified shall be extended if the Contractor is delayed or impeded in the performance of any of the obligations under the Contract by reason of any of the following:

- a) any occurrence of Force majeure as provided in GCC Clause entitled 'Force Majeure', or
- b) Work Schedules for beyond deviation limits & Extra Items as provided in GCC Sub-Clause 45.5, or
- c) any default or breach of the Contract by the Employer, or delay on the part of other contractors engaged by the Employer in executing work not forming part of this Contract, or
- d) any suspension order given by the Employer under GCC Sub-Clauses 46.1 (ii) and 46.1 (iii), or
- e) Any other sufficient cause which, in the opinion of the Engineer-in-Charge, is beyond the Contractor's reasonable control;

by such period as shall be fair and reasonable in all the circumstances and as shall fairly reflect the delay or impediment sustained by the Contactor.

25.4.2 Except where otherwise specifically provided in the Contract, the Contractor shall submit to the Employer a notice in writing of a claim for an extension of the Time for Completion, together with particulars of the event(s) or circumstance(s) justifying such extension as soon as reasonably practicable, but no later than fourteen (14) days after the commencement of such event or circumstance. As soon as reasonably practicable, after the receipt of such notice and supporting particulars of the claim, the Employer shall give a fair and reasonable extension of time for completion of Work. Such extension shall be communicated to the Contractor by the Engineer-in-Charge in writing, within thirty (30) days of the date of receipt of such request by the Engineer-in-Charge.

25.4.3 The Contractor shall at all times use his reasonable efforts to minimise any delay in the performance of his obligations under the Contract.

25.4.4 The compensations, if any, payable to the Contractor on account of any one or more of the above reasons of delay have been separately dealt with under relevant provisions of the Contract.

25.5 **Liquidated Damages for Delay**

25.5.1 If the Contractor fails to complete the Work on or before the scheduled or extended date of completion as per GCC Sub-Clauses 25.2 and 25.4, he shall, without prejudice to any other right or remedy of the Employer, arising out of the Contract on account of such delay, be liable for payment of liquidated damages @ ½ percent per week, not as penalty, on the Contract Value of the Work for every week that the progress remains below the required progress or that the Work remains incomplete subject to a maximum of 5% of the Contract Value.

In case of amendment in the contract value, the limiting value of the Liquidated damages shall be 5% of the amended Contract Value.

The amount of Compensation may be adjusted or set-off against any sum payable to the Contractor under this or any other contract with the Corporation.

25.5.2 The following documents shall form the principal basis for consideration of Extension of Time for Completion pursuant to GCC Sub-Clause 25.4 with or without Liquidated Damages and determining the compensation amount pursuant to GCC Sub-Clause 25.5.

1. The joint recordings in the periodic meeting register,
2. Written notices issued by the Employer and/or the Engineer-in-Charge or his authorized representative to the Contractor in the relevant period.
3. Written requests/ notices by the Contractor to Employer/ Engineer-in-Charge in the relevant period.

25.6 **Delays by Employer or his Authorised Representative**

25.6.1 In case the Contractor's performance is delayed due to any act of omission on the part of the Employer or his authorised representative, then the Contractor shall be given appropriate extension of time for the completion of the Works, to the extent such omission on the part of the Employer has caused delay in the Contractor's performance of his work. Regarding reasonableness or otherwise of the extension of time, the decision of the Engineer-in-Charge shall be final.

- 25.6.2 If such delays by the Employer have resulted in any increase in the cost to the Contractor, the Contractor shall be eligible to claim demonstrable and reasonable costs supported by full details of such increased costs incurred by him with all documentary evidence. The Employer shall examine the justification for such a request for claim and if satisfied, the extent of compensation shall be mutually agreed depending upon the circumstances at the time of such an occurrence.

26. Sub Contracts

- 26.1 After the award of the Contract, the Contractor shall not subcontract the Works/ any part of the Works without the prior written consent of the Engineer-in-Charge. Any such consent shall not relieve the Contractor from any liability or obligation under the Contract and he shall be responsible for the acts, defaults and neglects of any Sub-Contractor, his agents, servants or workmen as fully as if they were the acts, defaults or neglects of the Contractor.

Provided that the Contractor shall not be required to obtain such consent for:

- a) the provision of labour,
- b) the purchase of materials which are in accordance with the standards specified in the Contract, or
- c) the subcontracting of any part of the Works for which the sub-contractor is named in the Contract.

In the event of the Contractor proposing a sub-contractor for any part of the Works after the award of the Contract, he shall be required to take approval from the Engineer-in-Charge. The Contractor will then submit the requisite credentials of the agency(ies) he proposes to engage. The details so furnished by the Contractor shall be reviewed by the Employer. In case the agency(ies) proposed by the Contractor for the subcontracting are not considered acceptable, the Contractor will be required to furnish credentials of alternate agency(ies) for approval of Engineer-in-Charge. Based on the review and assessment, the agency(ies) shall be approved by the Engineer-in-Charge within fifteen (15) days of furnishing of credentials by the Contractor.

- 26.2 Where a list of approved agencies for a sub-contracting work is provided in the Contract, the Contractor shall inform the name of the sub-contractor selected by him within a period as agreed with the Engineer-in-Charge, however not later than fourteen (14) days of the date of such selection.

27. Setting out the Works

The Engineer-in-Charge shall supply Scope of work, technical requirements, dimensional drawings, levels and other information necessary to enable the Contractor to set out the Works and the Contractor shall set out the Works and be responsible for the accuracy of the same. He shall amend at his own cost and to the satisfaction of the Engineer-in-Charge any error found at any stage which may arise through inaccurate setting out. The Contractor shall protect and preserve all bench marks used in setting out the Works till date of submission of final bill under the Contract, unless the Engineer-in-Charge directs otherwise.

28. Methodology of Execution & Equipment Mobilisation

- 28.1 Methodology of execution and the work plan adopted by Contractor shall match the methodology/requirements specified in Technical Specifications.

- 28.2 The suggested minimum plant & equipment and machinery to be deployed by the Contractor for the execution of Work shall be as given in Technical Specifications.
- 28.3 The Contractor shall arrange at his own expense all tools, plant and equipment (hereinafter referred to as T & P) and crane required for execution of the Work, except as otherwise specified in SCC at rates and on terms specified therein.
- 28.4. The Contractor shall arrange at his own expense all tools, plant and equipment including Crane(s) (hereinafter referred to as T&P) required for execution of the work.
- 28.4.1 If the Contractor requires any item of T&P on hire from the Corporation, the corporation will, if such item is available, hire it to the Contractor at an hourly rate to be fixed by the Engineer-in-Charge.
- 28.4.2 The T&P shall be given to the Contractor on hire by the Corporation for a period of one hour or its multiple thereof. In case the T&P is hired by the Contractor for a period of four hours or less, the hire charges applicable for a minimum period of four hours shall be recovered from the Contractor's bills. In case the T&P is hired by the Contractor for a period exceeding four hours, the hire charges shall be calculated based on the charges applicable as per hourly rate. The hire charges in respect of T&P given on hire to the Contractor by the Corporation shall be recovered from the Contractor's bills.
- 28.4.3 For accounting purpose, total working hours shall be considered to be the period between time of placement of T&P to the Contractor at the requested location and time of release of the same. This shall be logged in Record Book on daily basis and shall be signed between Contractor/ Subcontractor and the Engineer-in-charge or his authorised representative. In case the T&P issued to the Contractor is not owned by the Corporation but hired from another agency, the authorised representative of the agency providing the T&P will also sign the said Record Book. In case the Contractor contests correctness of any entry and/or fails to sign the Record Book the decision of the Engineer-in-Charge shall be final and binding on him. Hire charges shall be calculated in accordance with the entries in the Record Book.
- 28.4.4 The Contractor will be exempted from levy of any charges for the number of days he is called upon in writing by the Engineer-in-Charge to suspend execution of the work, provided Corporation's T&P/T&P hired by the Corporation in question has, in fact, remained idle with the Contractor because of the suspension, provided the Contractor, in case the period of suspension exceeds 11 days, returns Corporation's T&P/T&P hired by the Corporation to the place from where it was issued.
- 28.5.1 **T&P owned by Corporation**
- The hire charges shall be as per NTPC guidelines and are to be borne by the Contractor. The Contractor shall permit the Engineer-in-Charge to carry out periodical maintenance of Corporation's T&P in accordance with the provision there for in the aforesaid Schedule, and there will be no deduction in hire charges for the period spent on such maintenance.
- However, the Contractor shall be allowed to return the tools and plants (issued by the Corporation) for purposes of repairs and for the duration of such repairs no hire charges shall, be levied.
- The Contractor shall be responsible for care and custody of Corporation's T&P (including employment of chowkidars) during the period Corporation's T&P remain with him and any damage (fair wear and tear excepted) to any of the equipment (except for Excepted Risks provided always the Contractor has taken precautions necessary to protect it from such risks) shall be made good at the Contractor's expense to the satisfaction of the Engineer-in-Charge unless such damage is caused because of negligence of crew provided by the Corporation.

28.5.2 T&P hired by the Corporation

The hourly hiring rate for T&P hired by the Corporation from another agency and issued to Contractor shall be all inclusive rate including the cost of hiring, operation & maintenance charges, fuel charges and other charges.

28.6 The Corporation gives no guarantee in respect of output of T&P hired to the Contractor and no reduction in rates or any compensation shall be allowed on the ground that out turn or performance of Corporation's T&P/T&P hired by the Corporation was not to the Contractor's expectation.

28.7 The T&P hired to the Contractor shall be returned at the place of issue by the Contractor to the Engineer-in-Charge (unless otherwise directed) on execution of the work or section of the work at the end of the day. In case the T&P is used by the Contractor in continuation of previous requisition and the crane has not moved out of his work area, then the movement of crane for fresh requisition(s) by the Contractor within his work area shall be to the Contractor's account.

28.8 The Corporation shall be entitled to terminate the hire without assigning any reason whatsoever and the Contractor shall have no claim to any payment of compensation or otherwise whatsoever on account of termination of hire of T&P issued by the Corporation. On termination of the hire by the Corporation, the Contractor shall return the T&P at the place of issue unless otherwise directed by the Engineer-in-Charge

29. Patent Indemnity

29.1 The Contractor shall indemnify and hold harmless the Employer and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney's fees and expenses, which the Employer may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright or other intellectual property right registered or otherwise existing at the date of the Contract in the performance of the Contract.

29.2 In the event of any claim being made or action being brought against the Employer or its representatives or its employees, in respect of any such matters as aforesaid, the Contractor shall immediately be notified thereof. However, such indemnity shall not apply when such infringement has taken place in complying with the specific directions issued by the Employer; but the Contractor shall pay any royalties or other charges payable in respect of any such use, the amount so paid being reimbursed to the Contractor only if the use was as a result of any drawings and/or specifications issued after the award of Contract by the Employer, provided further that the Contractor has brought to the notice of the Engineer-in-Charge, of such infringement immediately upon the instructions of the Engineer-in-Charge or upon the Contractor becoming aware of such infringement.

30. Materials for the performance of the Contract

(a) Materials to be provided by the Contractor

1. The Contractor shall at his own expense, provide all materials required for the Works other than those which are to be issued by the Employer.
2. All materials to be provided by the Contractor shall be in conformity with the specifications laid down in the Contract and the Contractor shall, if requested by the Engineer-in-Charge, furnish proof to the satisfaction of Engineer-in-Charge that the materials so comply.
3. Wherever required by the Engineer-in-Charge, the Contractor shall, at his own expense and without delay, provide samples of materials proposed to be used

in the Works. The Engineer-in-Charge shall within seven(7) days thereafter or within such further period as he may require, intimate to the Contractor in writing, whether samples are approved by him or not. If samples are not approved, the Contractor shall forthwith arrange for fresh samples complying with the Technical specifications laid down in the Contract, for approval.

4. The Engineer-in-Charge shall have full powers to require removal of any or all of the materials brought to site by the Contractor which are not in accordance with the Contract specifications or do not conform in character or quality to samples approved by him. In case of default on the part of the Contractor in removing rejected materials, the Engineer-in-Charge shall be at liberty to have them removed by other means. The Engineer-in-Charge shall have full powers to order the Contractor to provide other proper materials to be substituted for rejected materials and in the event of the Contractor refusing to comply, he may cause the same to be supplied by other means. All costs, which may attend upon such removal and/or substitution, shall be borne by the Contractor.
5. The Engineer-in-Charge shall be entitled to have tests carried out as specified in the Contract for any materials supplied by the Contractor other than those for which, as stated above, satisfactory proof has already been furnished, at the cost of the Contractor and the Contractor shall provide at his expense all facilities which the Engineer-in-Charge may reasonably require for the purpose. If no tests are specified in the Contract, and such tests are required by the Engineer-in-Charge, the Contractor shall provide all facilities required for the purpose and the charges for these tests including the cost of materials consumed/used in such tests shall be to the account of Employer, except if the tests disclose that the said materials are not in accordance with the provision of the Contract, then the same shall be to the account of the Contractor.
6. All charges on account of octroi, terminal or sales tax and other levies on materials obtained for the Works from any source (excluding materials issued by the Employer) shall be borne by the Contractor.

(b) *Materials to be issued by the Employer:*

(i) **Materials to be issued by the Employer free of cost**

The Employer, if so stipulated in SCC, may issue material to the Contractor free of cost for incorporation in the Works as per the terms and conditions specified in the SCC/Technical Specifications.

(ii) **Materials to be issued by the Employer on chargeable basis**

If after the award of the Contract, the Contractor desires the Employer to issue/supply any other materials, for the purposes of the Contract such materials may be issued by the Employer, if available, at rates and terms and conditions to be fixed by the Engineer-in-Charge. The Employer reserves the right not to issue any such materials. The non-issue of such materials will not entitle the Contractor for any compensation whatsoever either in time or in cost.

(c) *General:*

1. Materials required for the Works, whether brought by the Contractor or issued by the Employer, shall be stored by the Contractor only at places approved by the Engineer-in-Charge. Storage and safe custody of material shall be the responsibility of the Contractor.
2. Engineer-in-Charge shall be entitled at any time to inspect and examine any

materials intended to be used in or on the Works, either on the Site or at factory or workshop or other place(s) where such materials are assembled, fabricated, manufactured or at any place(s) where these are lying or from which these are being obtained and the Contractor shall give such facilities as may be reasonably required for such inspection and examination.

3. All materials brought to the Site shall not be removed off the Site without the prior written approval of the Engineer-in-Charge. But whenever the Works are finally completed and advance, if any, in respect of any such material is fully recovered, the Contractor shall at his own expense forthwith remove from the Site all surplus material originally supplied by him.
4. The Employer may issue all the materials agreed to be issued to the Contractor under the Contract, at its site stores. All other costs such as loading, unloading, transportation to Contractor's godown, storage etc. till the materials are incorporated in the Works or returned to the Employer shall be to the account of the Contractor.
5. All materials issued to the Contractor, by the Employer for incorporation or fixing in the Works (including preparatory work) shall, on completion or on termination of the Contract, be returned by the Contractor at his expense, at the Employer's store, after making due allowance for actual consumption, reasonable wear and tear and/or waste. If the Contractor is required to deliver such materials at a place other than the Employer's store, he shall do so and the transportation charges from the Site to such place, less the transportation charges which would have been incurred by the Contractor, had such materials been delivered at the Employer's store, shall be borne by the Employer.

31. Quality Assurance Programme

- 31.1 Sampling, testing and quality assurance requirements shall be as given in Technical Specifications & Scope of Work.
- 31.2 All costs associated with testing of materials required as per Technical Specifications & Scope of Work shall be deemed to be included in Contract rates/prices in the Schedule of Quantities.

32. Inspection and Approval

- 32.1 All Works shall be subject to examination and approval at each stage thereof and the Contractor shall give due notice to the Engineer-in-Charge or his authorised representative when each stage is ready. In default of such notice, the Engineer-in-Charge shall be entitled to appraise the quality and extent thereof.
- 32.2 No work shall be covered up or put out of view without the approval of the Engineer-in-Charge or his authorised representative and the Contractor shall provide full opportunity for examination and measurement of any work which is about to be covered up or put out of view . The Contractor shall give due notice to the Engineer-in-Charge or his authorised representative whenever any such work is ready for examination and the Engineer-in-Charge or his representative shall without unreasonable delay, unless he considers it unnecessary and advises the Contractor accordingly' attend for the purpose of examining and measuring such work. In the event of the failure of the Contractor to give such notice he shall, if required by the Engineer-in-Charge, uncover such work at his own expense.
- 32.3 The Engineer-in-Charge or his authorised representative shall have powers at any time to inspect and examine any part of the Works and the Contractor shall give such facilities as may be reasonably required for such inspection and examination.

32.4 The Contractor shall uncover any part of the Works and/or make openings in or through the same as the Engineer-in-Charge may from time to time direct for his verification and shall reinstate and make good such part to the satisfaction of the Engineer-in-Charge.

32.5 The additional & specific inspection and approval requirements in respect of the Works are detailed further in the Technical Specifications.

33. Records and Measurement

33.1 The Engineer-in-Charge shall, except as otherwise stated, ascertain and determine by measurement the value of the Work done in accordance with the Contract.

33.2 All items having a financial value shall be entered in Measurement Book, level book, etc. prescribed by the Engineer-in-Charge so that a complete record is obtained of all Work performed under the Contract.

33.3 Measurements shall be taken jointly by the Engineer-in-Charge or his authorised representative and the Contractor or his authorised representative.

33.4 Before taking measurements of any Work the Engineer-in-Charge or his authorised representative for the purpose shall give a reasonable notice to the Contractor. If the Contractor fails to attend or send his authorised representative for taking the measurements after such a notice or fails to countersign or to record the objection, if any, within a week from the date of measurement, then in any such event measurements taken by the Engineer-in-Charge or his authorised representative shall be taken to be correct measurements of the Work.

33.5 The Contractor shall, without extra charge, provide assistance with every appliance, labour etc. necessary for taking measurements.

33.6 Measurements shall be signed and dated by both parties each day on the Site on completion of measurement. If the Contractor objects to any of the measurements recorded, a note to that effect shall be made in the Measurement Book against the item objected to and such note shall be signed and dated by both parties engaged in taking the measurement. The decision of the Engineer-in-Charge on any such dispute or difference or interpretation shall be final and binding on both the parties and shall be beyond the scope of the provisions of settlement of disputes under the Contract.

33.7 Based on the above measurements, NTPC shall enter the same in SAP. A print out of the SAP records shall be taken for Running bill(s) and Final Bill and jointly signed by Engineer-in-Charge or his authorised representative and the Contractor or his authorised representative for the purpose of performance, payment and records.

34. Methods of Measurement

34.1 Measurement of Contract items of Work shall be taken in accordance with method of Measurement stipulated in the Technical Specifications/Schedule of Quantities. In case of extra items, the Engineer-in-Charge shall also specify the method of measurement for such items at the time of his order for execution of such extra items.

34.2 In case no method of measurement is stipulated in Technical Specifications/ Schedule of Quantities/ Order of the Engineer-in-Charge, then the Method of Measurement of such items shall be as per the relevant Standard Method of Measurement issued by Indian Standards Institution or general industry practice/ local custom.

35. Temporary / Enabling Works

- 35.1 Temporary / Enabling Works as specified in the Technical Specifications or as directed by the Engineer-in-charge for the proper execution of the Works shall be carried out by the Contractor. These Works shall be executed by the Contractor at his own cost.
- 35.2 All equipment, labour, materials including cement, reinforcement and the structural steel required for the Enabling Works associated with the entire Contract shall have to be arranged by the Contractor only. Nothing extra shall be paid to the Contractor on this account and the unit rates quoted by the Contractor on this account and the unit rates quoted by the Contractor for various items in the Schedule of Quantities shall be deemed to include the cost of Enabling Works.
- 35.3 The Contractor shall make his own arrangement for movement of men, machinery, other requirement etc. required for carrying out the Work included under this Contract.

36. Urgent Works

If any Urgent Work becomes necessary and the Contractor is unable or unwilling at once to carry it out, the Engineer-in-Charge may by his own or other means, carry it out as he may consider necessary. If the Urgent Work shall be such as the Contractor is liable under the Contract to carry out at his expenses all expenses, incurred on it by the Employer shall be recoverable from the Contractor and be adjusted or set off against any sum payable to him.

37. Power & Water Supply and boarding and lodging of employees/ labour / staff

- 37.1.1 The Contractor shall advise the Engineer-in-Charge, within seven (7) days from the date of acceptance of the Letter of Award/Service Purchase Order, about his exact requirement of space for his office, storage area, preassembly and fabrication areas etc. The above requirement shall be reviewed by the Engineer-in-Charge and space as decided by him will be allotted for his use as well as his Sub-Contractor's use. The Employer does not guarantee uninterrupted power supply.
- 37.1.2 The Contractor shall have to make arrangements for boarding and lodging of his employees/labour/staff at his own cost. NTPC shall NOT be providing any facility for the stay of employees/labour/staff. He shall not be entitled to any payment on account of the expenditure incurred for boarding and lodging of employees/labour/staff. However, NTPC may provide any facility if available on fully chargeable basis.
- 37.2 **Supply of Unfiltered Water for construction/maintenance/repair work only**
- 37.2.1 Unless otherwise stated in SCC, the Contractor shall draw water from the water supply mains provided in the project at suitable points to be indicated by the Engineer-in-Charge. All pipe lines, pumps and other accessories required for taking the water from the mains to the site of Work shall be provided by the Contractor at his own cost. He shall not be entitled to any payment on account of the expenditure incurred in providing the pipe lines, pumps, etc. No charges will be levied on the Contractor for the water drawn by him for the purpose of the construction/maintenance/repair work.
- 37.2.2 The Employer does not guarantee the maintenance of uninterrupted supply of water and in case of any interruptions of such supply of water; the Contractor shall be responsible for making at his own cost alternative arrangements for water. The Engineer-in-Charge also reserves the right to limit the quantity of water to be allowed to be drawn by the Contractor.

- 37.2.3 No claim for damages will be entertained by the Employer on account of interruption of water supply or limitation of quantity of water as aforesaid or on account of the water so supplied being not fit for construction purposes or on any other account in connection with such water supply.
- 37.2.4 It will be the responsibility of the Contractor to adequately treat the water at his cost before use for the intended purpose.
- 37.2.5 Where the Contractor makes his own arrangements for water required for the Work, nothing extra shall be paid for the same. He should make arrangements for storage of sufficient quantity of water required for at least a day's work.

38. Site testing equipments and facilities

- 38.1 As part of the Contract, the Contractor shall provide and maintain testing equipments and facilities for testing of materials and work executed under the direction and general supervision of the Engineer-in-Charge. The testing equipments should establish meeting of requirements detailed in the Technical specifications and scope of work and should have valid calibration certificate.
- 38.2 All equipments shall be provided by the Contractor so as to be compatible with the testing requirements specified. The Contractor shall maintain the equipment in good working condition for the duration of the Contract.
- 38.3 The Contractor shall provide approved qualified personnel to operate and maintain the testing equipments and facilities for testing of materials and work executed for the duration of the Contract. The number of staff and equipment available must at all times be sufficient to keep pace with the sampling and testing programme as required by the Engineer-in-Charge.
- 38.4 The Contractor shall re-calibrate all measuring devices whenever so required by the Engineer-in-Charge and shall submit the results of such measurements without delay.

39. Completion Certificate

- 39.1 As soon as the Work is completed, the Contractor shall give notice of such completion to the Engineer-in-Charge and within fourteen (14) days of receipt of such notice the Engineer-in-Charge shall inspect the Work and shall furnish the Contractor with a certificate of completion indicating (a) date of completion, (b) defects, if any, in the Work to be rectified by the Contractor and/or (c) items, if any, for which payment shall be made at reduced rates. When separate periods of completion have been specified for items or groups of items, the Engineer-in-Charge shall issue separate completion certificates for such item or groups of items. No certificate of completion shall be issued nor shall the Work be considered to be complete till the Contractor shall have removed from the premises on which the Work has been executed all scaffolding, sheds and surplus materials (except such as are required for rectification of defects), and the like to the satisfaction of Engineer-in-Charge. If the Contractor fails to comply with any of the requirement of the conditions as aforesaid, on or before the date of completion of the Works, the Engineer-in-Charge may, at the expense of the Contractor fulfil such requirements and dispose of the scaffoldings, surplus materials and rubbish etc. as he thinks fit and recover the cost after giving due credit for the realised amount. The term 'completion' used herein means the physical completion of the Work and in no way means to connote the quality or time of performance of the Work.

In case of Period Contracts/Maintenance Contract(s), the Contractor shall give notice of such completion to the Engineer-in-Charge seven (7) days prior to the day of

completion. On receipt of such notice the Engineer-in-Charge shall inspect the Work and shall furnish the Contractor with a certificate of completion indicating (a) date of completion, (b) defects, if any, in the Work to be rectified by the Contractor and/or (c) items/ services, if any, for which payment shall be made at reduced rates before the expiry of contract period.

- 39.2 If at any time before completion of the entire Work, items or groups of items for which separate periods of completion have been specified, have been completed, the Engineer-in-Charge can take possession of any part or parts of the same (any such part(s) being hereinafter in this Condition referred to as 'the relevant part') notwithstanding anything expressed or implied elsewhere in this Contract.
- 39.3 In case of such taking over of possession by Engineer-in Charge of the said item or group of items, the following shall govern:
 - 39.3.1 Within twenty-eight (28) days of request by the Contractor, the Engineer-in-Charge shall issue completion certificate for the relevant part as in GCC Sub-Clause 39.1 above provided the Contractor fulfils his obligations under that Condition for the relevant part.
 - 39.3.2 The Defects Liability Period in respect of such items and the relevant part shall be deemed to have commenced from the certified date of completion of such items or the relevant part as the case may be.
 - 39.3.3 The Contractor may reduce the value insured under GCC Clause entitled 'Contractor's Liability and Insurance' to the extent of the value of the completed items or relevant part as estimated by the Engineer-in-Charge and notified for this purpose. This estimate shall be applicable for this purpose only and for no other.
 - 39.3.4 For the purposes of ascertaining liquidated damages for delay under GCC Sub-Clause 25.5 in respect of any period during which the Works are not complete the relevant part will be deemed to form a separate item or group, with date of completion as given in the Contract or as extended under GCC Sub-Clause 25.2 and actual date of completion as certified by the Engineer-in-Charge under this Clause.

E. Defects Liability

40. Liability for Damage, Defects or Imperfections and Rectification thereof

If the Contractor or his workmen or employees shall damage or destroy any part of the building/structure in which they may be working or any building, road, fence etc. contiguous to the premises on which the Work or any part of it is being executed, or if any damage shall happen to the Work while in progress, the Contractor shall upon receipt of a notice in writing in that behalf make the same good at his own expense. If it shall appear to the Engineer-in-Charge or his representative at any time during construction or re-construction or prior to the expiration of the Defects Liability Period, that any work has been executed with unsound, imperfect or unskilled workmanship or that any materials or articles provided by the Contractor for execution of the Work are unsound or of a quality inferior to that contracted for, or otherwise not in accordance with the Contract, or that any defect, shrinkage or other faults have appeared in the Work arising out of defective or improper materials or workmanship, the Contractor shall, upon receipt of a notice in writing in that behalf from the Engineer-in-Charge, forthwith rectify or remove and re-construct the work so specified in whole or in part, as the case may require or as the case may be, and/or remove the materials or articles so specified and provide other proper and suitable materials or articles at his own expense, notwithstanding that the same may have been inadvertently passed, certified and paid for and in the event of his failing to do so within the period to be specified by the Engineer-in-Charge in his notice aforesaid, the Engineer-in-Charge may rectify or remove and re-execute the work

and/or remove and replace with others, the materials or articles complained of, as the case may be, by other means at the risk and expense of the Contractor.

41. Defects Liability Period

Unless otherwise specified in the Technical Specifications and Scope of Work/SCC, the Contractor shall be responsible to make good and remedy at his own expense within such period as may be stipulated by the Engineer-in-Charge, any defect which may develop or may be noticed before the expiry of twelve (12) months from the certified date of completion.

F. Risk Distribution

42. Employer's and Contractor's Risks and Insurance

42.1 The Employer carries the risks which this Contract states as Employer's risks, and the Contractor carries risks which this Contract states as Contractor's risks, under this clause.

42.2 Irrespective of the Employer's Risks or Contractor's Risks the Contractor shall execute the Works as per Contract and as directed by Engineer-in-Charge.

42.3 Employer's Risks

42.3.1 The 'Excepted Risks' are

(1) In so far as they occur in the Union of India and directly affect the execution of the Works:

(a) war and hostilities (whether war be declared or not), invasion, act of foreign enemies.

(b) rebellion, revolution, insurrection or military or usurped power or civil war.

(c) riot, commotion or disorder, unless solely restricted to employees of the Contractor or of his sub-contractors and arising from the conduct of the Works;

(d) ionizing radiations, or contamination by radio activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive, toxic, explosive, or other hazardous properties of any explosive, nuclear assembly or nuclear component;

(e) pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speed;

(f) any operation of the forces of nature, which is unforeseeable or against which an experienced contractor could not reasonably have been expected to have taken adequate precautions or

(2) a cause due to the design of the Works, other than the Contractor's design.

42.3.2 In the event of any loss or damage to the Works or any part thereof and/or to any materials or articles at the Site from out of any occurrence of Excepted Risks, the following provisions shall have effect:

(a) The Contractor shall, as may be directed in writing by the Engineer-in-Charge, remove from the Site any debris and so much of the Works as shall have been damaged, take the same to the place identified by the Employer, at the

Employer's cost.

- (b) The Contractor shall, as may be directed in writing by the Engineer-in-Charge, proceed to rectify, repair, reconstruct or replace the damaged articles, materials and the Works under and in accordance with the Conditions of the Contract, at the Employer's cost.

42.3.3 The Contractor shall not be entitled to payment under the above provisions in respect of so much loss or damage as has been occasioned by any failure on his part to perform his obligations under the Contract or not taking precautions to prevent loss or damage or minimize the amount of such loss or damage.

42.4 **Contractor's Risks**

42.4.1 All risks of loss of or damage to the physical property and of personal injury and death, which arise during and in consequence of the performance of the Contract, other than those covered under the Excepted Risks at sub-clause 42.3.1, will be the liability of the Contractor, except as otherwise provided in the Contract.

42.4.2 From commencement to completion of the Works, the Contractor shall take full responsibility for the care thereof and for taking precautions to prevent loss or damage and to minimize loss or damage to the greatest extent possible and shall be liable for any damage or loss that may happen to the Works or any part thereof from any cause whatsoever (save and except due to Excepted Risks) and shall at his own cost repair and make good the same so that at completion, the Works shall be in good order and condition and in conformity in every respect with the requirements of the Contract and instructions of the Engineer-in-Charge.

42.4.3 The Contractor shall indemnify and keep indemnified the Employer against all losses and claims for injuries or damage to any person or any property whatsoever which may arise out of or in consequence of the construction and maintenance of the Works and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of or in relation thereto; Provided always that nothing herein contained shall be deemed to render the Contractor liable for or in respect of or to indemnify the Employer against any Compensation or damage caused by any occurrence of the Excepted Risks.

42.5 **Insurance**

42.5.1 Before commencing the execution of the Works, the Contractor shall, without in any way limiting his obligations and responsibilities under this clause, indemnify the Employer against any damage/ loss or injury which may occur to his property and personnel, to any third party property and third person by or arising out of carrying out of the Contract, except due to reasons of 'Excepted Risks'.

42.5.2 Towards this end, the Contractor shall arrange adequate insurance coverages, in the joint names of the Employer and the Contractor and/or Sub-contractor, from the date of commencement of the Work to the end of the Defects Liability Period, to the nature and content, amounts and deductibles as further elaborated and detailed in the SCC for the following events which inter alia will include the following:

- (i) loss of or damage to the Contractor's T&P;
- (ii) loss of or damage to the property other than Works including those of third parties; and
- (iii) injury or death of personnel belonging to the Contractor or any other party.

42.5.3 Contractor shall ensure that the insurance coverage of the above policies include any loss or damage to his Staff, Supervisors, Engineers and others who are not covered by Workmen Compensation Act. Alternatively, the Contractor will take suitable additional or separate insurance policies to cover the same.

- 42.5.4 The Contractor shall necessarily take Workmen Compensation Policy and Third Party Liability Policy. The third party liability policy shall be for value specified in the Technical Specifications & Scope of Work/SCC.
- 42.5.5 The Policies and certificate for insurance shall be delivered by the Contractor to the Engineer-in-Charge for the Engineer-in-Charge's approval before the date of commencement of the Works.
- 42.5.6 The aforesaid insurance policy/policies shall provide that they shall not be materially modified/ cancelled till the Engineer-in-Charge has agreed to such modification or cancellation in writing.
- 42.5.7 Upon grant of the time extension by the Engineer-in-Charge, it is understood that the Contractor's liability of indemnity will be extended suitably without any further action by the Employer and the Contractor shall promptly furnish documentary evidence to Engineer-in-Charge towards extension of insurance policies for the period of time extension.
- 42.5.8 The Contractor shall ensure that wherever applicable, his Sub-Contractor(s) shall take out and maintain in effect adequate insurance policies for their personnel, vehicles, T&P and property other than Works including those of third parties for the part of the Works executed by them under the Contract, unless such Sub-Contractors are covered by the policies taken out by the Contractor.
- 42.5.9 It shall be the responsibility of the Contractor to take the insurance cover for all his liabilities. However, if the circumstances warrant, Employer may, without being bound to, effect and keep in force any such insurance coverage and pay such premium or premiums, as may be necessary for that purpose from time to time and deduct the amount so paid by the Employer from any monies due or which may become due to the Contractor or recover the same as a debt due from the Contractor.

The Contractor shall extend support to NTPC for lodging of claims for its own material with the insurers for claim against Policies taken by NTPC.

43. Force Majeure

43.1 Definition of Force Majeure

- 43.1.1 "Force Majeure" shall mean any event beyond the control of the Employer or of the Contractor, as the case may be, (but excluding 'Excepted Risks', which shall be dealt in accordance with GCC Clause entitled "Employer's Risks") and which they could not foresee or with a reasonable amount of diligence could not have foreseen and which substantially affect the performance of the Contract.
- 43.1.2 Notwithstanding the generality of the above, the following events shall be termed as Force Majeure events in respect of the Contract
 - (i) terrorist acts,
 - (ii) confiscation, nationalization, mobilization, commandeering or requisition by or under the order of any government or de jure or de facto authority or ruler or any other act of failure to act of any local state or national government authority,
 - (iii) national/sectoral/illegal strike, sabotage, lockout, embargo, import restriction, port congestion, lack of usual means of public transportation and communication, industrial dispute, shipwreck, epidemics, quarantine and plague

43.2 **Notice of Force Majeure**

43.2.1 If either party is prevented, hindered or delayed from or in performing any of its obligations under the Contract by an event of Force Majeure, then it shall notify the other in writing of the occurrence of such event and the circumstances thereof within fourteen (14) days after the occurrence of such event.

43.2.2 The party who has given such notice shall be excused from the performance or punctual performance of its obligations under the Contract for so long as the relevant event of Force Majeure continues and to the extent that such party's performance is prevented, hindered or delayed. The Time for Completion shall be extended in accordance with GCC Clause 25.4 (Extension of Time for Completion).

43.2.3 Notwithstanding any other provision of the Clause, Force Majeure shall not apply to any obligations of the Employer to make payments to the Contractor herein.

43.3 **Duty to Minimize Delay**

43.3.1 The party or parties affected by the event of Force Majeure shall use reasonable efforts to mitigate the effect thereof upon its or their performance of the Contract and to fulfill its or their obligations under the Contract, but without prejudice to right to terminate the Contract.

43.4 **Consequence of Force Majeure**

43.4.1 If the Contractor is prevented from performing its obligations under the Contract by reason of Force Majeure of which notice has been given under Sub-Clause 43.2.1, and suffers delay by reason of such Force Majeure, the Contractor shall be entitled to an extension of time for any such delay, if the Completion is or will be delayed, in accordance with GCC Sub-Clause entitled "Extension of Time for Completion".

43.4.2 No delay or nonperformance by either party hereto caused by the occurrence of any event of Force Majeure shall

- a. constitute a default or breach of the Contract,
- b. give rise to any claim for damages or additional cost or expense occasioned thereby

if and to the extent that such delay or nonperformance is caused by the occurrence of an event of Force Majeure.

43.5 Termination for reasons due to extended Force Majeure

43.5.1 If the performance of the Contract is substantially prevented, hindered or delayed for a single period of more than seventy (70) days or an aggregate period of more than one hundred and forty (140) days or any such extended period as may be agreed to between the parties on account of one or more events of Force Majeure during the currency of the Contract, the parties will attempt to develop a mutually satisfactory solution, failing which either party may terminate the Contract by giving a notice to the other.

43.5.2 In the event of termination pursuant to GCC Sub-Clause 43.5.1, the rights and obligations of the Employer and the Contractor shall be as specified hereunder:

- (a) the Contractor shall be paid at contract rates for the work already executed by him

(b) The Employer shall have an option to take over the Contractor's facilities/materials or any part thereof brought to site, at such rates as are determined reasonable by the Engineer-in-Charge.

43.5.3 In the event of any disagreement of the parties relating to matters at GCC Clause 42.5.2, the dispute shall be settled in accordance with GCC Clause titled "Settlement of Disputes".

G. Changes in Contract Element

44. Changes in Constitution:

Where the Contractor is a partnership firm, prior approval in writing of the Employer shall be obtained before any change is made in the constitution of the firm. Where the Contractor is an individual or a Hindu Undivided Family business concern such approval as aforesaid shall likewise be obtained before the Contractor enters into any partnership firm which would have the right to carry out the Work hereby undertaken by the Contractor. If prior approval as aforesaid is not obtained, the Contract shall be deemed to have been assigned in contravention of GCC Sub-Clause 47.3 hereof and the same action may be taken and the same consequences shall ensue as provided for in the said GCC Sub-Clause 47.3.

45. Powers of Engineer-in-Charge for alterations/ omissions/ additions /substitutions

45.1 The Engineer-in-Charge shall have power (i) to make alterations in, omissions from, additions to, or substitutions for the original specifications, drawings, designs and instructions that may appear to him to be necessary or advisable during the progress of the work, and (ii) to omit a part of the Works in case of non-availability of a portion of the Site or for any other reasons he may consider necessary and/or reasonable. Any such alterations, omissions, additions or substitutions shall be ordered by the Engineer-in-Charge as a deviation. The Contractor shall be bound to carry out the said deviation in accordance with instructions given to him in writing by the Engineer-in-Charge and such alterations, omissions, additions or substitutions shall form part of the Contract as if originally provided therein and shall be carried out by the Contractor on the same conditions in all respects on which he agreed to do the original Works, except as otherwise provided herein.

45.2 Permissible deviation limit for variations in Contract Items

45.2.1.1 For Contracts Other than overhauling

In case of items of Work, quantities of which may change due to Site Conditions or any other reasons, the permissible limit of deviations over the original value of each item will be (+)20% for contracts other than those for overhauling. All the quantities of any item actually executed from 0-120% of the Contract quantity (0 to 1.2 times the quantity) will be payable at Contract rates for while the rates for the quantities above 120% of Contract quantity (1.2 times the Contract quantity) will be subject to review/revision.

45.2.1.2 For Contracts for overhauling

In case of items of Work, quantities of which may change due to Site Conditions or any other reasons, the permissible limit of deviations over the original value of each item will be (+)50% for contracts for overhauling. All the quantities of any item actually executed from 0-150% of the Contract quantity (0 to 1.5 times the quantity) will be payable at Contract rates for while the rates for the quantities above 150% of Contract quantity (1.5 times the Contract quantity) will be subject to review/revision.

- 45.2.2 In case the Schedule of Quantities contains sub-items of Work under a Main Item, then the above permissible limits of deviation shall be applicable on the value of each such sub-item and not on the entire value of the Main Item.
- 45.2.3 The deviations up to the above permissible limits shall be carried out by the Contractor at the same rates and terms as per the Contract.
- 45.2.4 Rates of Items of Work derived on the basis as detailed in GCC Sub-Clause 45.2 shall not be eligible for price adjustment.
- 45.3 **Methodology for Determination of Rates for variations of Contract Items beyond the permissible deviation limits**
- 45.3.1 For Contract Items which exceed the limits over the original value of that item as mentioned in GCC Sub-Clause 45.2.1 above, the Contractor may, within fourteen (14) days of the date of receipt of the order to carry out the said work, inform the Engineer-in-Charge of the rate which he proposes to claim for such item(s) of Work on Market Rate(s) basis, supported by analysis of the rate claimed and the relevant documents to substantiate the same. While working out the rates on the basis of market rate, 10% (Ten percent) of the rate to cover all overheads and profits of the Contractor shall be considered. The Engineer-in-Charge shall, within seventy (70) days thereafter, after giving due consideration to the rate(s) claimed by the Contractor, determine the rate(s), in consultation with the Contractor, on Market Rate(s) basis. In the event of disagreement between the Engineer-in-Charge and Contractor, even after the said seventy (70) days from the date of submission of claims of the rate(s) by the Contractor, the Engineer-in-Charge within a further period of twenty-one (21) days thereafter, shall fix the rate(s)/price(s) as are, in his opinion appropriate. The rate(s)/price(s) so fixed shall be notified to the Contractor and shall be final and binding.
- 45.3.2 If the Engineer-in-Charge fails to determine and notify the rate(s)/price(s) even after expiry of the said twenty-one (21) days, then the Contractor will be at liberty to refer the matter for resolution to the Employer within a further period of fourteen (14) days after the above said twenty one (21) days. If the Employer does not determine and cause the Engineer-in-Charge to notify the rate(s)/price(s), then the matter would be determined in accordance with the provisions of GCC Clause entitled "Settlement of Disputes". However, in the meanwhile, the Engineer-in-Charge will pay for the items of Work executed beyond the permissible deviation limits, at 75% (seventy-five percent) of the rate(s)/price(s) claimed by the Contractor with satisfactory supporting documents or at Contract Rate, whichever is less, purely on adhoc and provisional basis subject to adjustment.
- 45.3.3 In the event of the Contractor failing to inform the Engineer-in-Charge, within the stipulated period of fourteen (14) days time, the rate(s) which he proposes to claim, supported by relevant documents to substantiate the same, the rate(s) for such item(s) shall then be determined by the Engineer-in-Charge in consultation with the Contractor (if he so desires) on the basis of Market Rate(s) within seventy (70) days thereafter. The rate(s) /price(s) so determined shall be notified to the Contractor and shall be final and binding.
- 45.3.4 Rates of Items of Work derived on the basis as detailed in GCC Sub-Clause 45.3 shall not be eligible for price adjustment.
- 45.4 **Methodology for Determination of Rates for Extra Items (Additional, Altered or Substituted Items) of Work**
- 45.4.1 Rates for Extra Items of Work (comprising of Additional, Altered or Substituted items of Work), shall be determined by the Engineer-in-Charge in the following order:

(i) If the rate(s)/price(s) for extra items occurring in a particular schedule of quantities are available in other schedule of quantities forming part of the Contract, the lowest of such rate(s)/price(s) will be used, subject to the nature of work being comparable.

(ii) If the rate(s) cannot be derived as per (i) above, then

(a) In case of contracts with only one Schedule of Quantities forming the part of the Contract, the rate(s)/price(s) for the extra item(s) shall be derived from the lowest of any similar item(s) in that Schedule.

(b) In case of contracts with two or more Schedules of Quantities forming a part of the contract, the rates for the Extra Item(s) will be derived from the nearest similar item appearing in the Schedule in which the extra item is to be executed failing which from any other Schedule in which nearest similar item is available, the rate so derived being the lowest of such derived from nearest similar items in those other Schedules and used.

45.4.2 If the rate for any additional, altered or substituted item of work cannot be determined in the manner specified in GCC Sub-Clause 45.4.1 (i) & (ii) above, the Contractor shall, within fourteen (14) days of the date of receipt of the order to carry out the said Work, inform the Engineer-in-Charge under advice to the Employer of the rate which he proposes to claim for such item(s) of Work on Market Rate(s) basis, supported by analysis of the rate claimed and relevant documents to substantiate the same. While working out the rates on the basis of market rate, 10% (Ten percent) of the rate to cover all overheads and profits of the Contractor shall be considered. The Engineer-in-Charge shall, within seventy (70) days thereafter, after giving due consideration to the rate(s) claimed by the Contractor, determine the rate(s), in consultation with the Contractor, on Market Rate(s) basis. In the event of disagreement between the Engineer-in-Charge and Contractor, even after the said seventy (70) days from the date of submission of claims of the rate(s) by the Contractor, the Engineer-in-Charge within a further period of twenty-one (21) days thereafter shall fix the rate(s)/price(s) as are, in his opinion appropriate. The rate(s) /price(s) so fixed shall be notified to the Contractor and shall be final and binding.

45.4.3 If the Engineer-in-Charge fails to determine and notify the rate(s)/price(s) even after expiry of the said twenty-one (21) days, then the Contractor will be at liberty to refer the matter for resolution to the Employer within a further period of fourteen (14) days after the above said twenty-one (21) days. If the Employer does not determine and cause the Engineer-in-Charge to notify the rate(s)/price(s), then the matter would be determined in accordance with the provisions of GCC Clause entitled "Settlement of Disputes". However, in the meanwhile, the Engineer-in-Charge will pay for the extra items of Work, at 75% (seventy-five percent) of the rate(s)/price(s) claimed by the Contractor with supporting documents or at Contract Rate, whichever is less, purely on adhoc and provisional basis subject to adjustment.

45.4.4 In the event of the Contractor failing to inform the Engineer-in-Charge within the stipulated period of fourteen (14) days time the rate(s) which he proposes to claim, supported by relevant documents to substantiate the same, the rate(s) for such item(s) shall then be determined by the Engineer-in-Charge in consultation with the Contractor (if he so desires) on the basis of Market Rate(s) within seventy (70) days thereafter. The rate(s) /price(s) so determined shall be notified to the Contractor and shall be final and binding.

45.4.6 Rates for Extra Items of Work, derived on the basis as detailed in GCC Sub-Clause 45.4 above shall not be eligible for Price Adjustment.

45.5 Work Schedules for variation beyond deviation limits & Extra Items

The Engineer-in-Charge shall finalise a Work Schedule in consultation with the Contractor for items of Work beyond deviation limits and the Extra Items of Work to be executed and the date(s) specified in this agreed Work Schedule shall be considered as the date for working out the Price adjustment amount. The primary consideration by the Engineer-in-Charge while determining the time required for execution of the altered or substituted item(s) of Work, would be quantities of the altered or substituted and not the value of altered or substituted item(s) of Work.

45.6 Provisional payments

Pending approval of the Rates for Contract Item(s) of Work beyond the permissible deviation limits as well as for Extra Items (Additional, Altered or Substituted item) of Work, provisional payment at an interim rate (75% of the rate/price determined by the Engineer-in-Charge), shall be made to the Contractor after recoveries as per terms and conditions of the Contract, in the interest of progress of Work, which shall be regularized after approval of Competent Authority.

46. Suspension of Works

46.1 The Contractor shall, on receipt of the order in writing of the Engineer-in-Charge, suspend the progress of the Works or any part thereof for such time and in such manner as the Engineer-in-Charge may consider necessary for any of the following reasons:

- (i) On account of any default on part of the Contractor; or
- (ii) for proper execution of the Works or part thereof for reasons other than the default on the part of the Contractor; or
- (iii) for safety of the Works or part thereof, for reasons other than those attributable to the Contractor.

46.2 The Contractor shall, during such suspension, properly protect and secure the Works to the extent necessary and carry out the instructions given in that behalf by the Engineer-in-Charge.

46.3 If the suspension is ordered for reasons (ii) & (iii) in Sub-Clause 46.1 above, in so far as it concerns suspension of part of the Works or whole of the balance, the Contractor shall be entitled to an extension of time equivalent to the period of suspension plus 25% thereof. The Contractor shall not be eligible for any other compensation whatsoever for such suspension, except as otherwise provided herein under.

46.4 If the suspension is ordered for reasons (ii) & (iii) in Sub-Clause 46.1 above, as far as it concerns the entire balance of Works on the date of suspension and if such period of suspension cumulatively exceeds twenty-eight (28) days, then in addition to extension of time as in Sub-Clause 46.3 above, the Contractor shall be eligible for compensation, as the Employer may consider reasonable, in respect of salaries and/or wages paid by the Contractor to his employees and labour at site, remaining idle during the cumulative period of suspension, adding to the total thereof, a reasonable percentage as determined appropriate by the Engineer-in-Charge, to cover indirect expenses and incidentals of the Contractor, provided the Contractor submits his claim supported by details to establish the reasonableness of his claim to the Engineer-in-Charge under advice to the Employer within fourteen (14) days of the expiry of the said twenty-eight (28) days period.

46.5 If for any reason other than for reasons of Contractor's default as per GCC Sub-Clause 46.1(i) above, if the Contract remains suspended for a continuous period exceeding ninety (90) days, then the Employer and the Contractor shall mutually discuss and agree for a suitable course of action regarding the recommencement/reinstatement of the suspended work or alternatively treat the suspension as termination / abandonment of the Works by the Employer as per GCC Sub-Clause 47.1 herein. If out of above discussion it is determined that the Contract has to be treated as terminated under the provisions of GCC Sub-Clause 47.1, then the Contractor shall be eligible for compensation as envisaged in GCC Sub-Clause 47.1.1 herein.

47. Termination

47.1 Termination by the Employer

If at any time after award of Contract, the Employer shall decide to abandon or reduce the scope of the Works for any reason whatsoever and hence not require the whole or any part of the Works to be carried out by the Contractor, the Engineer-in-Charge shall give notice in writing to that effect to the Contractor and the Contractor except as herein under provided, shall have no claim to any payment of compensation or otherwise whatsoever, on account of any profit or advantage which he might have derived from the execution of the Works in full but which he did not derive in consequence of the said termination of the whole or part of the Works.

47.1.1 The Contractor shall be paid at Contract rates full amount for works executed at Site and, in addition, a reasonable amount as certified by the Engineer-in-Charge for the items hereunder mentioned which could not be utilised on the Work to the full extent because of the said termination:

- (a) Any cost incurred on preliminary site work, e.g. access roads, labour huts, staff quarters and site offices; storage accommodation and water storage tanks, etc.
- (b) (i) The Employer shall have the option to take over Contractor's facilities/materials or any part thereof either brought to Site or of which the Contractor is legally bound to accept delivery from suppliers (for incorporation in or incidental to the Work), provided, however, the Employer shall be bound to take over the materials or such portions thereof as the Contractor does not desire to retain. For materials taken over or to be taken over by the Employer, cost of such materials shall, however, take into account purchase price, cost of transportation and deterioration or damage which may have been caused to materials whilst in the custody of the Contractor.
 - (ii) For Contractor's materials not retained by the Employer, reasonable cost of transporting such materials from Site to Contractor's permanent stores or to his other Works, whichever is less. If materials are not transported to either of the said places, no cost of transportation shall be payable.
- (c) If any materials issued by the Employer are rendered surplus, the same except normal wastage shall be returned by the Contractor to the Employer at rates not exceeding those at which these were originally issued less allowance for any deterioration or damage which may have been caused whilst the materials were in the custody of the Contractor.
- (d) Reasonable compensation for transfer of Contractor's T&P from Site to Contractor's permanent stores or to his other Works, whichever is less. If T&P are not transported to either of the said places, no cost of transportation shall be payable.

47.1.2 The Contractor shall, if required by the Engineer-in-Charge furnish to him wage books, time sheets and other relevant documents as may be reasonably necessary to enable him to certify the reasonableness of the amount payable under this Clause.

47.2 **Termination on Contractor's Death**

47.2.1 If the Contractor is an individual or a proprietary concern and the individual or the proprietor dies and if the Contractor is a partnership concern and one of the partners dies, then unless the Employer is satisfied that the legal representatives of the individual Contractor or of the proprietor of the proprietary concern and in the case of partnership, the surviving partners, are capable of carrying out and completing the Contract, the Employer shall be entitled to cancel the Contract as to its incomplete part without the Employer being liable in any way to payment of any compensation to the estate of the deceased Contractor and/or to the surviving partners of the Contractor's firm on account of the cancellation of the Contract. The decision of the Employer that the legal representatives of the deceased Contractor or the surviving partners of the Contractor's firm cannot carry out and complete the Contract shall be final and binding on the parties. In the event of such cancellation the Employer shall not hold the estate of the deceased Contractor and/or the surviving partners of the Contractor's firm liable for damages for not completing the Contract.

47.3 **Termination for Contractor's Default**

47.3.1 If the Contractor:

- (a) at any time makes default in proceeding with the Works with due diligence and continues to do so after a notice of seven (7) days in writing from the Engineer-in-Charge; or
- (b) commits default in complying with any of the terms and conditions of Contract and does not remedy it or take effective steps to remedy it within seven (7) days after a notice in writing is given to him in that behalf by the Engineer-in-Charge; or
- (c) fails to complete the Works or items of Work with individual dates of completion, on or before the date(s) of completion, and does not complete them within the period specified in a notice given in writing in that behalf by the Engineer-in-Charge; or
- (d) offers, or gives or agrees to give to any person in Employer's service or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or having done or forborne to do any act in relation to the obtaining or execution of this or any other Contract for the Employer; or
- (e) enters into a contract with the Employer in connection with which commission has been paid or agreed to be paid by him or to his knowledge, unless the particulars of any such commission and the terms of payment thereof have been previously disclosed in writing to the Employer/ Engineer-in-Charge; or
- (f) obtains a Contract with the Employer as a result of ring bidding or other non-bonafide methods of competitive bidding; or
- (g) being an individual, or if a firm, any partner thereof, at any time be adjudged insolvent or have a receiving order or order for administration of his estate made against him or shall take any proceedings for liquidation or composition (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) under any Insolvency Act for the time being in force or make

any conveyance or assignment of his affective or composition or arrangement for the benefit of his creditors or purport so to do, or if any application be made under any Insolvency Act for the time being in force, for the sequestration of his estate or if a trust deed be executed by him for benefit of his creditors; or

- (h) being a company, shall pass a resolution or the Court shall make an order for the liquidation of its affairs, or a receiver or manager on behalf of the debenture holders shall be appointed or circumstances shall arise which entitle the Court or debenture holders to appoint a receiver or manager; or
- (i) assigns, transfers, sublets (engagement of labour on a piece-work basis or of labour with materials not to be incorporated in the work, shall not be deemed to be subletting) attempts to assign, transfer or sublet the entire Works or any portion thereof without the prior written approval of the Employer;

the Employer may, without prejudice to any other right to remedy which shall have accrued or shall accrue thereafter to the Employer by written notice, cancel the Contract as a whole or only such items of work in default, from the Contract.

47.3.2 The Employer shall on such cancellation have rights to:

- (a) take possession of the Works and any materials, construction plant, implements, stores, etc., thereon; and/or
- (b) carry out the incomplete Work by any means at the risk and cost of the Contractor.

47.3.3 On cancellation of the Contract in full or in part, the Employer shall determine what amount, if any, is recoverable from the Contractor for completion of Works or part of the Works or in case the Works or part of the Works is not completed, the loss or damage suffered by the Employer. In determining the amount, credit shall be given to the Contractor for the value of the work executed by him up to the time of cancellation, the value of Contractor's material taken over as well as incorporated in the work, and use of tools and plants belonging to the Contractor.

47.3.4 Any excess expenditure incurred or to be incurred by the Employer in completing the Works or part of the Works or the excess loss or damages suffered or may be suffered by the Employer as aforesaid after allowing such credit shall be recovered from any money due to the Contractor on any account, and if such money is not sufficient the Contractor shall be called upon in writing to pay the same within twenty-eight (28) days.

47.3.5 If the Contractor fails to pay the required sum within the aforesaid period of twenty-eight (28) days, the Engineer-in-Charge shall have the right to sell any or all of the Contractor's unused materials, construction plant, implements, temporary buildings etc. and apply the proceeds of sale thereof towards the satisfaction of any sums due from the Contractor under the Contract and if thereafter there be any balance outstanding from the Contractor, it shall be recovered from him.

47.3.6 Any sums in excess of the amounts due to the Employer and unsold materials, construction plant etc., shall be returned to the Contractor, provided always that if cost or anticipated cost of completion by the Employer of the Works or part of the Works is less than the amount which the Contractor would have been paid had he completed the Works or part of the Works, such benefit shall not accrue to the Contractor.

48. Possession prior to completion

The Engineer-In-Charge shall have the right to take possession of or use any

completed or partially completed work or part of the work. Such possession or use shall not be deemed to be an acceptance of any completed work in accordance with the contract agreement. If such prior possession or use by the Engineer-In-Charge delays the progress of work, equitable adjustment in the time of completion will be made.

49. Adherence to Fraud Prevention Policy

The Contractor along with its Associate / Collaborator / Sub-Contractors / Sub-Vendors / Consultants / Service Providers shall strictly adhere to the Fraud Prevention Policy of Employer displayed on its website <http://www.ntpctender.com>.

The Contractor along with their ~~his~~ associate/ collaborator/ subcontractors/ subvendor/ consultant/ service providers shall observe the highest standards of ethics and shall not indulge or allow anybody else working in their organization to indulge in fraudulent activities during execution of the contract. The Contractor shall immediately apprise the Employer about any fraud or suspected fraud as soon as it comes to his notice.

If in terms of above policy it is established that the Contractor/his representatives have committed any fraud while executing the contract then the Security Deposit shall be forfeited.

50. Limitation of Liability

Except in cases of criminal negligence or wilful misconduct,

- (a) the Contractor shall not be liable to the Employer, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Contractor to pay liquidated damages to the Employer and
- (b) the aggregate liability of the Contractor to the Employer, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to any obligation of the Contractor to indemnify the Employer with respect to patent infringement.

51. Policy for withholding and banning of Business dealings

The employer has in place a policy for withholding and banning of business Dealings as enclosed. Business dealings may be withheld or banned with the Bidder/Contractor on account of any default by the contractor under GCC clause 47.3.1 or any of the grounds detailed in the said Banning Policy.

Declaration on Policy for withholding and banning of Business dealings duly filled as per employer's format is enclosed in the Section VII: Bid Forms and Procedures. This declaration is to be submitted along with the Technical Bid.

52. Disposal of Scrap

The Contractor shall with the agreement of the Employer promptly remove from the site any 'Scrap' generated during performance of any activities at site in pursuance of the Contract. The term 'Scrap' shall refer to scrap/ waste/ remnants arising out of the fabrication of structural steel work and piping work at the project site in the course of execution of the contract and shall also include any wastage of cables during the termination process while installing the cables.

The ownership of such Scrap shall vest with the Contractor except in cases where the materials for the items have been issued by the Employer from its stores for their

installation only without any adjustment to the Contract Price. The removal of scrap shall be subject to the Contractor producing the necessary clearance from the relevant authorities (Custom, Excise etc.), if required by the law, in respect of disposal of the scrap. The liability for the payment of the applicable taxes/ duties shall be that of the Contractor.

53. Disposal of surplus material, Plant & Equipment

Ownership of any Plant and Equipment in excess of the requirements for the Facilities (i.e. surplus material) shall revert to the Contractor upon Completion of the Facilities and Guarantee Test or at such earlier time when the Employer and the Contractor agree that the Plant and Equipment in question are no longer required for the Facilities, provided quantity of any Plant and Equipment specifically stipulated in the Contract shall be the property of the Employer whether or not incorporated in the Facilities. The Contractor shall remove from the site such surplus material brought by him in pursuance of the Contract, subject to the Contractor producing the necessary clearance from the relevant authorities (Customs, Excise etc.), if required by law, in respect of re-export or disposal of the surplus material locally. The liability for the payment of the applicable taxes/duties, if any, on the surplus material so re-exported and/or disposed locally shall be that of the Contractor.

The Contractor shall also indemnify to keep the Employer harmless from any act of omission or negligence on the part of the Contractor in following the statutory requirements with regard to removal /disposal of surplus material. The Indemnity Bond shall be furnished by Contractor as per proforma enclosed. Further, in case the laws require the Employer to take prior permission of the relevant Authorities before handing over the surplus material to the Contractor, the same shall be obtained by the Contractor on behalf of the Employer.