

**[POWER GRID CORPORATION OF INDIA LIMITED]**

**SECTION - IV**

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**GENERAL CONDITIONS OF CONTRACT (GCC)**

**FOR**

**SECURITY SERVICES**

## **GENERAL CONDITIONS OF CONTRACT**

### **Preamble**

This Section (Section -IV) of the Bidding Documents [named as General Conditions of Contract (GCC)] provides all the rights and obligations of the parties under the Contract. This Section contains provisions that are to be used unchanged unless Section - V [named as Special Conditions of Contract (SCC)] states otherwise as any changes in GCC or any complementary information that may be needed has been shown in SCC. If there is a conflict between the provisions of Section - IV & Section - V, the provisions of Section - V shall prevail.

## **GENERAL CONDITIONS OF CONTRACT**

### **1. Definitions**

**1.1** The following words and expressions shall have the meanings hereby assigned to them:

- a) "Arbitrator" means the person or persons appointed by agreement between the Employer and the Contractor to make a decision on or to settle any dispute or difference between the Employer and the Contractor referred to him or her by the parties pursuant to [GCC Sub-Clause 21.1 \(Arbitration\)](#) hereof.
- b) "Contract" means the Contract Agreement entered into between the Employer and the Contractor together with the Contract Documents referred to therein.
- c) "Contract Documents" means the documents listed in [Clause 1.1 of Article 1 \(Contract Documents\)](#) of the Form of Contract Agreement (including any amendments thereto).
- d) "Contract Period/Duration of Contract" shall mean the period during which the Contractor shall remain liable for the performance of work as per the terms and conditions of the contract/ Award.
- e) "Contract Price" means the sum specified in [Clause 2.1 of Article 2 \(Contract Price\)](#) of the Contract Agreement, subject to such additions or deductions therefrom, as may be made pursuant to the Contract.
- f) "Contractor/Agency" means the firm(s) whose bid to perform the Contract has been accepted by the Employer and is named in the Contract Agreement, and includes the legal successors or permitted assigns of the Contractor.
- g) "Contractor's Representative" means any person nominated by the Contractor and approved by the Employer in the manner provided in [GCC Sub-Clause 12.1 \(Contractor's Site Representative\)](#) hereof to perform the duties delegated by the Contractor.
- h) "Date of Contract" means the date on which Notification of Award of Contract has been issued.
- i) "Day" means calendar day of the Gregorian Calendar.
- j) "Effective Date" means the date from which the Security Services shall be deployed and from which the Duration of Contract shall be determined.
- k) "Employer" means the firm/corporation/ government entity, named in the [SCC](#), who is responsible for getting the Facilities implemented. The Employer may be Owner himself or an agency appointed by the Owner and shall include the legal successors or permitted assigns of the Employer.
- l) "Establishment" / "Site" means the land and building including POWERGRID's Sub-stations, Offices, Residential Colonies and other places which may be allocated/ designated by POWERGRID for performance of the Contract and such other land or places as may be specified in the Contract as forming part of the Site.
- m) "GCC" means the General Conditions of Contract hereof.
- n) "Month" means calendar month of the Gregorian Calendar.
- o) "Notification of Award" means the official notice issued by the Employer notifying the Contractor that his bid has been accepted.
- p) "Owner" means the firm/corporation/government entity, named in the [SCC](#), who has decided to set up the Facilities and shall include the legal successors or permitted assigns of the Owner.

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- q) "Owner's Representative" / "Officer-In-Charge" / "Engineer-in-Charge" means the person appointed by the Employer in the manner provided in [GCC Clause 11](#). hereof to perform the duties delegated by the Employer.
- r) "SCC" means the Special Conditions of Contract.
- s) "Subcontractor"/"vendor"/"sub-vendor" means firms/ corporations/government entities to whom execution of any part of the Facilities, including preparation of any design or supply of any Plant and Equipment, is sub-contracted directly or indirectly by the Contractor with the consent of the Employer in writing, and includes its legal successors or permitted assigns.
- t) "Week" means continuous period of seven (7) days of the Gregorian Calendar.
- u) "Works" means providing services for safety & Security services of POWERGRID's establishments, site, designated offices, Manpower etc. as mentioned in bidding documents and shall include furnishing by Contractor of its personnel & services alongwith associated uniforms/ arms/ accessories etc.
- v) "Writing" shall include any manuscript, type written or printed statement under or over signature and/or seal as the case may be.
- w) When word "Approved" "subject to Approval", "Satisfactory", "Equal to", "Proper", "requested", "As Directed", "Where Directed", "When directed", "Determined by", "Accepted", "Permitted", or words and phrases of like importance are used the approval, judgement, direction, etc. is understood to be function of POWERGRID.
- x) Words imparting the singular only shall also include the plural and vice-versa where the context so requires.

## **2. Interpretation**

### **2.1 Contract**

**2.1.1** The Contracts to be entered into with the successful Bidder/ Security Agency shall be as under:

**(i) "Contract for Providing Security Services at POWERGRID site/establishment".**

**2.1.2** The Contract will be signed in two originals and the Contractor shall be provided with one signed original and the rest will be retained by the Employer.

### **2.2 Contract Documents**

All documents forming part of the Contract (and all parts thereof) are intended to be correlative, complementary and mutually explanatory, **subject to Article 1.2 (Order of Precedence)** of the Contract Agreement. The Contract shall be read as a whole.

### **2.3 Language**

The ruling language of the Contract and the language for communications shall be English.

### **2.4 Singular and Plural**

The singular shall include the plural and the plural the singular, except where the context otherwise requires.

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### **2.5 Headings**

The headings and marginal notes in the General Conditions of Contract are included for ease of reference, and shall neither constitute a part of the Contract nor affect its interpretation.

### **2.6 Entire Agreement**

The Contract constitutes the entire agreement between the Employer and Contractor with respect to the subject matter of Contract and supersedes all communications, negotiations and agreements (whether written or oral) of parties with respect thereto made prior to the date of Contract.

### **2.7 Amendment**

No amendment or other variation of the Contract shall be effective unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party hereto.

### **2.8 Independent Contractor**

The Contractor shall be an independent contractor performing the Contract. The Contract does not create any agency, partnership, joint venture or other joint relationship between the parties hereto.

Subject to the provisions of the Contract, the Contractor shall be solely responsible for the manner in which the Contract is performed. All employees, representatives or Subcontractors engaged by the Contractor in connection with the performance of the Contract shall be under the complete control of the Contractor and shall not be deemed to be employees of the Employer, and nothing contained in the Contract or in any subcontract awarded by the Contractor shall be construed to create any contractual relationship

### **2.9 Non-Waiver**

**2.9.1** Subject to [GCC Sub-Clause 2.9.2](#) below, no relaxation, forbearance, delay or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect or restrict the rights of that party under the Contract, nor shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.

**2.9.2** Any waiver of a party's rights, powers or remedies under the Contract must be in writing, must be dated and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

### **2.10 Severability**

If any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

### **2.11 Notices**

**2.11.1** Unless otherwise stated in the Contract, all notices to be given under the Contract shall be in writing, and shall be sent by personal delivery, special courier, telegraph, facsimile or Electronic Data Interchange (EDI) to the address of the relevant party set out in the Contract Agreement, with the following provisions:

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- (a) Any notice sent by telegraph, facsimile or EDI shall be confirmed within two (2) days after dispatch by notice sent by special courier, except as otherwise specified in the Contract.
- (b) Any notice sent by special courier shall be deemed (in the absence of evidence of earlier receipt) to have been delivered ten (10) days after dispatch. In proving the fact of dispatch, it shall be sufficient to show that the envelope containing such notice was properly addressed, stamped and conveyed to the postal authorities or courier service for transmission by special courier. Provided further that whenever the postal authorities or courier service provide a proof of delivery, the same shall also be applicable for presenting the fact of dispatch.
- (c) Any notice delivered personally or sent by telegraph, facsimile or EDI shall be deemed to have been delivered on date of its dispatch.
- (d) Either party may change its postal, facsimile or EDI address or addressee for receipt of such notices by ten (10) days' notice to the other party in writing.

**2.11.2** Notices shall be deemed to include any approvals, consents, instructions, orders and certificates to be given under the Contract.

### **2.12 Governing Law & its Jurisdiction**

The Contract shall be governed by and interpreted in accordance with laws of Union of India and the Courts of Jammu shall have exclusive jurisdiction in all matters arising under this Contract.

### **3. SCOPE OF WORK:**

- 3.1** The proposed work briefly covers Providing Security Services at POWERGRID site/establishment mentioned in the **SCC**.
- 3.2** The job specification/scope of work to be carried out by the Agency is mentioned at **Annexure-SCOPE OF WORK in Volume-II** of Bidding Documents.
- 3.3** The list enclosed at **Annexure-SCOPE OF WORK** is not exhaustive. Any job/task required to be carried out in the interest of Security/Safety of POWERGRID shall be deemed to be inclusive in the scope of contractor unless it has specifically been excluded from the scope of the Contractor.

### **4. POST BID DISCUSSIONS:**

- 4.1** POWERGRID will have Post bid discussions with the L1 bidder and all the major issues regarding deployment of Security Guards, availability of statutory licenses, insurances etc. shall be tied up during Post bid discussions. The schedule for deployment of Security Guards shall be finalized mutually during post bid discussions in line with minimum man days requirement for different category of Security Guards as defined in the Special conditions of Contracts (**SCC**) and contractor shall be bound for deployment of manpower as per finalized deployment schedule in Post bid discussions.

### **5. MOBILIZATION PERIOD:**

- 5.1** After issuance of Notification of Award /Letter of Award/Work Order, a mobilization period of **15 days** shall be allowed under the contract. During the mobilization period, the contractor shall obtain/ apply for all requisite insurance policies, licenses/ clearances from appropriate authorities such as DGR, Labour Authorities and Provident Fund Commissioner etc. A copy of

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all such documents will be provided to POWERGRID before commencement of the work. After completion of the mobilization period, work shall be started immediately at site. However, if the bidder has all the requisite documents, mobilization period may be reduced to a mutually agreed time and the same shall be tied up during post bid discussions. The contractor should not be allowed to work without having valid DGR Empanelment Certificate, labour license, workman compensation Insurance policy, provident fund code No. and ESI code No., if applicable.

### **6. DURATION OF CONTRACT (CONTRACT PERIOD):**

**6.1** The initial Duration/period of contract for providing security services shall be **02 (two) years** and shall be reckoned from the **15th day** of notification of Award of Contract or as specified in the Notification of Award /Letter of Award/Work Order.

**6.2** The contract period can be extended by **01 (one) more year** after expiry of above referred 02 (two) years on same rates, terms and conditions subject to re-sponsorship of the agency by the DGR and satisfactory performance during the currency of contract. POWERGRID reserves the right to exercise this contract period extension provision after the expiry of contract period of 02 (two) years and Contractor will have no right to ask for extension.

**6.3** The Contractor shall deploy the security personnel accordingly.

### **7. Contract Price**

**7.1** The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Form of Contract Agreement.

**7.2** The Contract Price shall be subject to adjustment in accordance with the provisions of **Appendix 2 (Revision of Wages)** to the Contract Agreement.

**7.3** The service charge %age shall be **Firm & Fixed** throughout the currency of the Contract.

**7.4** The Contractor shall be deemed to have satisfied itself as to the correctness and sufficiency of the Contract Price, which shall, except as otherwise provided for in the Contract, cover all its obligations under the Contract.

### **8. TERMS OF PAYMENT:** Following shall be payment terms:

**8.1** The payment to the Contractor shall be released by POWERGRID on monthly basis for the actual operations performed as per contract/ instructions of Engineer-in-charge or his authorized representative.

**8.2** Payments shall be released by POWERGRID, on submission of Running Bills along with all details of attendance sheet /Logbook maintained by the contractor once in a month. All bills shall be submitted through the Engineer-in-charge.

**8.3** The Contractor shall submit to POWERGRID its complete bill in triplicate along with necessary certificate. Within 7 days after the expiry of the month. POWERGRID shall release due amount through Electronic payment mechanism (E-Payment) in favour of Contractor within 21 days of receipt of complete bills. Contractor shall release wages/Salary to its personnel deployed at POWERGRID through crossed account payee cheque/ ECS by 7th of the every month irrespective of the payment received by POWERGRID. In case 7th day being a holiday wages should be paid on the preceding working day of the month.

**8.4** The Contractor shall submit monthly running bill for due amount along with the certificates of (i) Actual operations carried out duly certified by Engineer -in -charge; (ii) Actual deployment

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of personnel as per deployment schedule as agreed upon during post bid discussions & their attendance; (iii) Proof of the payment by Contractor to its employed personnel for that month through account payee cheque/ ECS/ RTGS only and (iv) Challan/ receipt for deposit of PF, ESI and service tax with concern authorities and certificate towards compliance of other statutory provisions for the previous months as per Annexure -AA along with copy of Form 12A submitted by him to the PF authority and Form 5, i.e. Return of ESI contribution. However, with the bill for the first month, certificates mentioned at (iii) & (iv) above shall not be applicable. Contractor has to deduct and submit PF and ESI compulsorily for all the employees deployed by him irrespective of statutory requirements (i.e. even if total No. of employees deployed by him are less than 20).

- 8.5** Contractor shall obtain PF/ESI code for himself and all of his employees for deposit of the contributions. He must ensure that all his employees are made available annual PF statement and ESI card wherever applicable, failing which payment due to him shall be withheld.
- 8.6** POWERGRID may verify from EPF/ESI authorities, the details/ status of payment made by the Contractor, before making payment of the last bill of the Contractor. In case, the information furnished by the Contractor is found to be incorrect, POWERGRID shall take appropriate action against the contractor.
- 8.7** The Contractor shall promptly make payment to Regional Provident Fund commissioner in respect of Provident Fund Contribution of Contractor and the amount deducted from salary/wages of deployed personnel towards their contributions to Provident Fund. Contractor shall obtain provident fund account for himself as well as for individual employees for remittance/deposit of PF deductions. Further. Contractor shall fulfill all other statutory requirements.
- 8.8** Payment will be made as per work executed i.e. numbers of operations performed and contractor will have no right to claim the complete BOQ.
- 8.9** The payment shall be regulated as per accepted rate only. Contractor shall not be entitled to any extra payment compensation or remuneration relating to work done during unfavorable weather or relating to any special arrangements made to complete the work as per the schedule of items.
- 8.10** No extra payment shall be made to the Contractor for working on holidays and during odd hours.
- 8.11 Bills:** GST Invoices in duplicate clearly indicating award letter no. and date and **SAC Code for the Supply of Services covered under the package and GSTIN No.** shall be raised in favour of **Engineer-in-Charge/ Office-in-Charge** for verification & processing of payments. Payment shall be made after making recoveries if any, through electronic payment mechanism (e-payment).
- 8.12 Mode of Payment:** All payments to be made to the Contractor under the subject contract shall be made by POWERGRID through electronic payment mechanism (e-payment) for which the necessary details shall be tied up during execution of the contract.
- 8.13 Bill Tracking System (BTS):** Prior to submission of bills in physical form, the Contractor shall submit its bills using POWERGRID's Vendor Bill Tracking System as per procedure detailed herein below. Further, the Contractor may also track the status of its bills using POWERGRID's 'On-line Vendor Bill Tracking System'. To use this system the Contractor is required to get itself registered once online at POWERGRID's ERP Portal with the link URL (<https://etender.powergrid.in>). Once registered, the Contractor may track status of bills submitted, passed and paid by POWERGRID's Corporate Centre and Regional Office(s) under

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this Contract and other Contracts awarded on it by POWERGRID by following the method detailed herein below:

- a) Once registered, the Contractor can log-in to POWERGRID's Vendor Bill Tracking System (BTS) with Vendor Log-In ID and Password.
- b) After login as at (a) above, Contractor is required to make the entry on POWERGRID's ERP Portal under the tab "Submit New Invoice" and shall fill all details along with the MSE status. Upon submission, a 16 digit unique BTS number will be generated and the Contractor/Contractor will receive an automated e-mail forwarding the unique BTS number.
- c) The physical bills alongwith printed copy of e-mail received from BTS (unique BTS number) shall be submitted by the Contractor.
- d) On receipt of physical bill, concerned POWERGRID's official shall online acknowledge the receipt of bill. This action will trigger an automated mail to the Contractor intimating that the physical copy of the bill has been received and is under verification / processing. However, on receipt of incomplete bill and/or non-receipt of physical bill by POWERGRID official, the incomplete bills/ digital entry in BTS ( as the case may be) shall be returned to the Contractor by POWERGRID, which can be viewed under the tab "Invoice Returned".
- e) The day the payment is made, a mail stating the "Bill number, net payment amount and details of the bank from where the payment has been made" will be sent to the Contractor.

The status of Bill submitted by the Contractor can be checked through the BTS number under tab "Invoice Submitted".

### **8.14 PAYING AUTHORITY:**

**8.14.1** The paying authority for the subject contract shall be as mentioned in [SCC](#).

**8.14.2** Respective Engineer-in-Charge/Officer-in-Charge will verify the GST Invoices/Bills and forward to the paying authority for release of payment, subject to deductions which include statutory deductions and any deductions made by site.

### **9. CONTRACT PERFORMANCE GUARANTEE (PERFORMANCE SECURITY):**

**9.1** The Contractor shall, within twenty-eight (28) days of the notification of award, provide a performance security for the due performance of the Contract in the amount equivalent to Ten percent (10%) of One month's wage bill in the form provided in Section VI, Sample Forms and Procedures, of the Bidding Documents, with a validity upto ninety (90) days beyond the Contract Period. The same shall be extended by the Contractor time to time till ninety (90) days beyond the actual Contract Period (in case of extension), as may be required under the Contract.

**9.2** Alternatively, the CPG amount will be deducted from the ESM's (Contractor's) Monthly service charges in instalments as mutually agreed by the ESM (Contractor) and the Principal Employer.

**9.3** Further since the monthly wage bill is likely to vary due to revision in minimum wages and/or variable DA, the total amount towards CPG to be deducted as aforesaid shall be adjusted after every six months based on the average of the monthly wage bills against which

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the admissible payment has been released to the contractor till then. The adjustment if any shall be effected by way of refund/deductions from the RA bill immediately falling due.

### **9.4 Issuing Banks:**

The Bank Guarantee for Performance Security are to be provided by the Contractor, which should be issued either:

(a) by a Public Sector Bank located in India, or

(b) a scheduled Indian Bank having paid up capital (net of any accumulated losses) of Rs. 1,000 Million or above (the latest annual report of the Bank should support compliance of capital adequacy ratio requirement) *as per attached list only* [**List is placed at Special Conditions of Contract (SCC)**], or

(c) by a foreign bank or a subsidiary of a foreign bank, acceptable to the Employer, with overall international corporate rating or rating of long term debt not less than A- (A minus) or equivalent by a reputed rating agency. Further, the Bank Guarantee should be confirmed by either (i) its corresponding bank located in India; or (ii) a Public Sector Bank located in India; or (iii) a scheduled commercial private bank located in India *as per the attached list only* [**List is placed at Special Conditions of Contract (SCC)**].

### **10. TAXES AND DUTIES:**

**10.1** All the applicable taxes/levies/duties other than Goods and Services Tax (GST) including education cess shall be borne by the contractor and POWERGRID will not have any liability whatsoever in this regard. However, GST shall be reimbursed by POWERGRID against documentary evidence.

**10.2** Any variation in taxes & duties or any new tax or levy as introduced by state or Central Govt same shall be on account of POWERGRID

**10.3** Reimbursement of GST by POWERGRID shall be at the rate applicable on the SAC of the services supplied by the Contractor to POWERGRID. The reimbursement of GST shall be against Invoice/Debit Note containing particulars specified under the GST Act and related Rules, Notifications, etc. as notified by the Government in this regard. In the event that the Contractor fails to provide the invoice in the form and manner prescribed under the GST Act and Rules, POWERGRID shall not be liable to make any payment against such invoice.

**10.4** Income Tax and other statutory levies as applicable at the time of payment shall be deducted at source unless concerned tax authorities exempt the contractor. POWERGRID shall affect TDS as per the rules / statutory requirements and issue TDS certificate.

**10.5** The Contractor shall be solely responsible for the taxes that may be levied on the Contractor's persons or on earnings of any of his employees and shall hold the Employer indemnified and harmless against any claims that may be made against the Employer. The Employer does not take any responsibility whatsoever regarding taxes under Indian Income Tax Act, for the Contractor or his personnel. If it is obligatory under the provisions of the Indian Income Tax Act, deduction of Income Tax at source shall be made by the Employer.

**10.6** Owner's GSTIN number in each state/UT is published on the Owner's company website <https://www.powergridindia.com>. While raising invoice for Supply of Services, the Contractor shall invoice the Owner using the GSTIN of Owner in the state/UT in which the service or part thereof is to be rendered.

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- 10.7** The Contractor shall comply with all tax laws in force in India. The Contractor shall indemnify and hold harmless POWERGRID from and against any and all liabilities, interest, damages, claims, fines, penalties and expenses of whatever nature arising or resulting from the violation of such tax laws by the Contractor or its personnel, including the Subcontractors and their personnel.
- 10.8** POWERGRID would not bear any liability on account of any other taxes, duties, levies applicable locally.
- 10.9** The Input Tax Credit (ITC) available, if any, under the GST law as per the relevant Government policies wherever applicable shall be taken into account by the contractor while quoting bid price.
- 10.10** Notwithstanding anything above or elsewhere in the Contract, in the event that the input tax credit of the GST charged by the Contractor is denied by the tax authorities to POWERGRID for reasons associated with non-compliance/ incorrect compliance by the Contractor, POWERGRID shall be entitled to recover such amount from the Contractor by way of adjustment from any of the subsequent invoices submitted by the Contractor to POWERGRID. In addition to the amount of GST, POWERGRID shall also be entitled to recover interest and penalty, in case any interest and/or penalty are imposed by the tax authorities on POWERGRID for incorrect/wrong availment of Input Tax Credit. The POWERGRID shall determine whether the denial of credit is linked to the non-compliance/ incorrect compliance of the Contractor and the said determination shall be binding on the Contractor.
- 10.11** POWERGRID shall, deduct taxes at source as per the applicable laws/rules, if any, and issue Tax Deduction at Source (TDS) Certificate to the Contractor.

### **11. OFFICER-IN-CHARGE/ ENGINEER-IN-CHARGE and OVERALL COORDINATOR:**

- 11.1** The **Officer-In-Charge/ Engineer-In-Charge and Overall Coordinator** for the subject contract shall be as mentioned in **SCC**.
- 11.2** If the Officer-In-Charge/ Engineer-In-Charge is not named in the Contract, then within fourteen (14) days of the Effective Date, the Employer shall appoint and notify the Contractor in writing of the name of the Officer-In-Charge/ Engineer-In-Charge. The Employer may from time to time appoint some other person as the Officer-In-Charge/ Engineer-In-Charge in place of the person previously so appointed, and shall give a notice of the name of such other person to the Contractor without delay. The Employer shall take all reasonable care to see that no such appointment is made at such a time or in such a manner as to impede the performance of the contract.
- 11.3** The Officer-In-Charge shall represent and act for the Employer at all times during the currency of the Contract. All notices, instructions, orders, certificates, approvals and all other communications under the Contract shall be given by the Officer-In-Charge, except as herein otherwise provided.
- 11.4** All notices, instructions, information and other communications given by the Contractor to the Employer under the Contract shall be given to the Officer-In-Charge, except as herein otherwise provided.

### **12. CONTRACTOR'S SITE REPRESENTATIVE:**

- 12.1** Amongst the deployed personnel or separately, the contractor shall nominate its authorized representative for the purpose of Contract. Any written order or instructions of POWERGRID shall be communicated to the said authorized resident representative of the

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Contractor and the same shall be deemed to have been communicated to the Contractor at his legal address.

### **13. REVISION OF WAGES:**

**13.1** In case during Contract execution period, the Minimum Wages as per Act as admissible to the security category of manpower deployed at specified location as per the contract are increased by the DGR or there is change in the rate of variable D.A., the Basic Price component shall be modified to the extent of changes as per law and amount payable to the Contractor on monthly basis shall be calculated accordingly. However, POWERGRID shall revise payment of wages subject to satisfactory documentary evidence of changes in Minimum wage Act/ variable D.A. The Contractor shall also have to submit the proof that revised wages are being paid to the concerned personnel. The revision in wages shall be effected in accordance with the circular ref. No. 2112/SA/DGR/RW/EMP/92 dated 30.03.92 as modified vide the Document titled "Revision of Wages" concerning Wage Structure w.e.f. 01 February 2007 as per NCT of Delhi (labour Department Notification No. F. 12(142)02-MW/Lab/1016 dated 13.03.2007 circulated by Joint Director (Emp) Directorate General of Resettlement (DGR) vide No. 2112/SA/MINIMUM WAGES/EMP DATED 07.04.2007 subject to revision thereon from time to time as may be effected by DGR.

**13.2** The present applicable 'Notice of Minimum Wages for One Day' notified by DGR shall be as mentioned in the **SCC**.

### **14. STATUTORY & OTHER RESPONSIBILITIES OF THE CONTRACTOR**

#### **14.1 EMPLOYMENT/DEPLOYMENT OF SECURITY PERSONNEL:**

##### **14.1.1 Criteria for employment/deployment:**

14.1.1.1 The personnel deployed shall be physically and mentally fit, combatant and should have been medically examined. The personnel to be deployed must have passed minimum 8th standard. No person below the age of 18 years and over 65 years (for ex-serviceman).

14.1.1.2 The Contractor is bound to deploy 90% of the total deployment to be made under the contract from Ex-serviceman.

14.1.1.3 In case the Contractor fails to deploy personnel with ex-serviceman background as specified, it shall be treated as failure on the part of the contractor to perform the contract successfully and POWERGRID reserves the right to terminate the contract. Further in such a case no payment for such deployment shall be made to the Contractor by POWERGRID unless otherwise specifically permitted by POWERGRID.

14.1.1.4 The Gunman to be deployed by Contractor shall have valid Fire Arms & Ammunition License under the Arms Act.

14.1.1.5 **Age of Security Guard and Supervisor.** The upper age limit of a Security Guard and Supervisor will be 65 Years in consonance with PSARA Act 2005.

##### **14.1.2 Uniform & Kits are to be provided to by the contractor for the deployed personnel:**

14.1.2.1 All the personnel to be deployed by the Agency shall maintain smart turnout, bear name plates and always be in uniform while on duty.

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14.1.2.2 The Contractor shall provide at its own cost, to the deputed personnel specified uniforms including head gear boots/shoes, torches with cells (for night duties), weapons and ammunitions, canes, lathis, jerseys, great coats for winter and other materials/accessories/equipments needed for the security staff for their smart turnout and efficient performances of duties. In case of non-compliance of rules regarding uniform and other accessories during the contract period the warning in writing shall be issued by the POWERGRID and a deduction @ Rs.100/- per warning per person shall be made from the bills for that month.

### **14.1.3 Travelling & Accommodation of deployed personnel:**

14.1.3.1 All travelling expenses including provisions of all necessary transport to and from site, allowances and arrangement and other payments to the Contractor's employees/deployed personnel shall be the sole responsibility of the Contractor.

14.1.3.2 The Contractor shall have to make his own arrangements for providing residential accommodations for its security personnel at relevant places.

14.1.3.3 At the substation sites, however, a piece of open land may be made available to the contractor free of cost where he may erect a temporary hutment/tent which can be used as rest room during off duty period for change of uniform etc. Owner will also provide electricity and water connection at one point free of cost near the said land.

However, subsequently, POWERGRID, if possible, may consider the possibility of providing a closed space with electricity and water connection on chargeable basis at a mutually agreed rate.

14.1.3.4 This contract is subject to following the existing DGR guidelines and also the future directives that will be issued from time to time.

### **14.1.4 RECORDS REGARDING DEPLOYED PERSONNEL:**

14.1.4.1 The contractor shall maintain proper registers at the site in respect of deployed personnel and paste photos of such personnel besides indicating their names, age permanent & temporary addresses.

14.1.4.2 The Contractor shall deploy security personnel on the basis of shifts and record attendance, leave etc.

14.1.4.3 The Contractor is expressly prohibited in deploying security personnel beyond eight hours duration. Any violation of this provision will be viewed very seriously and shall be viewed as breach of contract. Overtime shall not be permitted barring exceptional circumstances.

14.1.4.4 The deployed personnel shall mark their attendance either by card punching or by signing in register.

### **14.1.5 VARIATION IN REQUIREMENT OF DEPLOYED OF PERSONNEL:**

14.1.5.1 The estimated requirement of security personnel has been indicated in Letter of Award. However, strength of personnel deployed may be increased or decreased depending upon the exigencies of the services required, giving seven days' notice to contractor. The Contractor shall have to provide any increased manpower for required variation. The payment of increased manpower shall be regulated depending upon the actual deployment of personnel in line with the specified payment terms and unit rates

## **GENERAL CONDITIONS OF CONTRACT**

and the wage structure stipulated by Director General of Resettlement from time to time.

### **14.1.6 DISCIPLINE OF SECURITY PERSONNEL:**

- 14.1.6.1 The rules and regulations laid down by POWERGRID shall be adhered to by employees/security personnel to be deployed by Contractor.
- 14.1.6.2 If in the opinion of the POWERGRID's authorized representative, any of the Contractor's employee has misbehaved himself or is incompetent or negligent or otherwise indulges in undesirable conduct, then the Contractor shall immediately remove that employee and provide in his place a competent replacement.
- 14.1.6.3 The Contractor shall be responsible and liable for the loss that POWERGRID may incur on account of acts of omissions and commissions of security staff of the Contractor. The decision of POWERGRID's officer in-charge of security shall be final and binding in all such cases.

### **14.1.7 FIRE PROTECTION AWARENESS :**

- 14.1.7.1 The Contractor shall ensure that all the security personnel to be deployed are trained for fire-fighting and fire protection duties and in the event of a fire, the security personnel shall perform such duties as may be assigned to them by POWERGRID's representative besides taking emergency fire control measures.
- 14.1.7.2 POWERGRID shall provide fire protection equipment and arrange replacement/fire-filling of the same at its own cost. However, placement of equipment in designated proper location and its usability shall be the responsibility of Contractor's deployed personnel. Access of such fire protection equipment shall be easy and kept open at all time.
- 14.1.7.3 POWERGRID shall arrange on regular basis mock firefighting exercise wherein deployed security personnel shall be required to demonstrate their skill.

## **14.2 OBSERVANCE OF LABOUR LAWS & CONTRACTOR'S LIABILITY**

- 14.2.1** The contractor shall in respect of Employees employed by him comply with all labour laws applicable to the personnel engaged by him for carrying out work and POWERGRID shall bear no liability whatsoever towards any violation by the contractor in this regard.
- 14.2.2** Salient features/Instructions regarding compliance of some major laws by the Contractor are given as under. However, the Contractor is bound to comply with all the provisions of applicable labour laws even though not expressly mentioned herein.
  - a) Employees Compensation Act 1923:** The Act provides for compensation in case of injury by accident arising out of and during the course of employment.
    - i) The Contractor shall be liable to deposit the compensation as prescribed under this Act with the Commissioner of Workman Compensation within one month from the date of accident, in case of fatal injury.
    - ii) The contractor shall be liable to disburse the compensation as prescribed under this Act within the stipulated time frame, in case of non-fatal injury.
    - iii) The Contractor shall bear all the expenses incurred in connection with the medical treatment of the workers.
    - iv) The Contractor shall make a payment of towards funeral expenses, etc. as per the provisions of the Act.

## **GENERAL CONDITIONS OF CONTRACT**

- v) The Contractor shall take an Insurance policy covering for risks under this Act at the time of commencement of contract and submit proof of the same to the Engineer-in-charge of POWERGRID, failing which, the Contractor shall not be allowed to commence the work.

### **b) Employees Provident Fund and Miscellaneous Provisions Act 1952:**

- i) The contractor shall be required to obtain a PF code from the concerned PF authority immediately after award of the contract and submit documentary proof to the effect to POWERGRID.
- ii) The contractor shall ensure opening an individual Provident Fund account for the worker engaged and submit documentary proof to the effect to POWERGRID.
- iii) The contractor shall remit monthly provident fund contribution of employees and employers within 15 days from the date of disbursement of wages.
- iv) The contractor shall submit a copy of Form 3A submitted by him to PF Authority, to POWERGRID.
- v) The contractor shall submit a copy of Form 12A submitted by him to the PF Authority on monthly basis (details of PF deposited/deducted) in respect of employees and employers to the Engineer-in-charge of POWERGRID.
- vi) The Contractor shall submit a copy of Form 6A submitted by him to the PF Authority on an Annual basis/ on expiry of contract, to POWERGRID.

### **c) Contract Labour (Regulation & Abolition) Act 1970:**

- i) The Contractor shall obtain labour license under the provisions of the Act.
- ii) The Contractor shall display Notice in English & Hindi of Rates of Wages, Hours of Work, Wages Period, Date of payment of wages, Name & Address of the Inspector, Date of payment of unpaid wages.
- iii) The Contractor shall submit the Return regarding commencement and completion of contract in Form VIA.
- iv) The Contractor shall maintain Register of workmen employed by him in POWERGRID in Form XIII.
- v) The Contractor shall issue an Employment Card to the workers engaged by him in POWERGRID in Form XIV, within 3 days of employment of the worker.
- vi) The Contractor shall issue Service Certificate in Form XV to the workmen whose services have been terminated by him.
- vii) The Contractor shall maintain Muster Roll in respect of the workers engaged by him in POWERGRID in Form XVI.
- viii) The Contractor shall maintain Wage Register in respect of the workers engaged by him in POWERGRID in Form XVII.
- ix) The Contractor shall maintain Register of Wage-cum-Muster Roll in respect of workers engaged by him in POWERGRID in Form XVIII.
- x) The Contractor shall issue Wage slip to all the workers engaged by him in POWERGRID.
- xi) The Contractor shall maintain Register of Deductions (Form XX), Register of Fines (Form XXI), Register of Advances (Form XXII), Register of Overtime (Form XXIII) in respect of the workers engaged by him in POWERGRID.
- xii) The Contractor shall send Half yearly return in Form XXIV in duplicate to the Licensing Officer concerned within prescribed time limit.
- xiii) The Contractor shall issue Photo Identity Card to the workers engaged by him in POWERGRID under his seal and signature.

### **d) Minimum Wages Act 1948:**

- i) The workers engaged by the Contractor for carrying out the operations as mentioned in the BOQ shall be paid Minimum wages as notified by the Appropriate Authority from time to time.
- ii) The workers engaged by the Contractor shall be paid wages for 8 hours of normal work per day. In case any worker is required to work beyond 48 hours in a week or more

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than 9 hours in a day, he shall be paid Overtime at the prescribed premium rates by the Contractor.

- iii) The workers engaged by the Contractor shall be provided a day of rest in every period of seven days with remuneration.
- iv) The workers engaged by the Contractor shall be issued Wage Slip.
- v) The Contractor shall display Notice containing minimum rates of wages, name and address of the inspector in English and Hindi.
- vi) The Contractor shall send annually a Return in Form III to the concerned authority.

**e) Payment of Wages Act 1936:**

- i) The Contractor shall pay wages to the workers engaged by him by 7th day of the following month. In case delay in payment is observed penalty @Rs.1000/- per day shall be imposed by the Engineer in-charge.
- ii) The Wages shall be paid to the workers either by online ECS transfer or direct transfer to their bank account or through A/C Payee cheque in the presence of Engineer-in-charge or his authorised representative without deduction of any kind except those that are authorised under this Act.

**f) Equal Remuneration Act 1976:**

The Contractor shall not pay to any worker engaged by him, remuneration at rates less favourable than those at which remuneration is paid by the Contractor to the workers of the opposite sex for performing any job at POWERGRID premises.

**g) Child Labour (Regulation and Abolition) Act 1986:**

The Contractor shall not be allowed to engage child labour as defined under the law in the premises of POWERGRID for carrying out any work under the contract.

**h) Employees State Insurance Act 1948 :**

- i) The Contractor shall be required to obtain ESI code from the concerned authority, immediately after the award of contract, wherever ESI is applicable and submit the documentary proof of the same to POWERGRID.
- ii) The Contractor shall ensure opening of individual ESI account of the employees, wherever ESI is applicable and submit the documentary proof of the same to POWERGRID.
- iii) The Contractor shall ensure that the employees are issued ESI cards by the prescribed authorities.
- iv) The Contractor shall remit ESI contribution of employees together with employers within 21 days of the last day of the calendar month in which the contribution falls due and submit proof of such remittance along with monthly bills to POWERGRID.
- v) The Contractor shall send a return of contribution in Form 5 before 12th May and 12th November of every year to ESI office and submit a copy of the return to Engineer-in-charge, POWERGRID.
- vi) If ESI is not applicable in the area, the contractor is required to take comprehensive medical insurance policy for the total number of labours to be deployed along with Workmen Compensation Policy as per Workmen Compensation Act 1923.

**i) Building and Other Construction Workers (Regulation of Employment and Conditions of Service Act, 1996 :**

- i) The Contractor shall obtain a Certificate of Registration as per the provisions of the Act and submit a copy of the same to POWERGRID.
- ii) The Contractor shall display a copy of the certificate of registration, Notice containing at the work place.
- iii) The Contractor shall display Notice of Rates of Wages, Hours of Work, Wages Period, Date of payment of wages, Name & Address of the Inspector, Date of payment of unpaid wages, in English & Hindi & local language and forward a copy to the Inspector concerned.

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- iv) The Contractor shall submit the Notice of commencement and completion of work in Form IV.
  - v) The Contractor shall maintain Register of Building workers employed by him in Form XV.
  - vi) The Contractor shall submit Annual Return in Form XXV to the concerned authority.
- j) Inter State Migrant Workmen (Regulation of Employment and Condition of Service) Act 1979**
- i) The Contractor shall issue to every Inter-state migrant workman, a Passbook with photograph containing various particulars regarding recruitment and employment of the workmen and payment of return fare from the place of employment to the place of residence when he ceases to be employed.
  - ii) The Contractor shall pay to every Inter-state migrant workman at the time of recruitment, displacement allowance equivalent to 50% of monthly wages or ₹ 75 whichever is higher.
  - iii) The Contractor shall pay to every Inter-state migrant workman journey allowance of a sum not less than the fare from place of residence of the workmen in his state to the place of work in the other state, both for the outward and return journey. The workmen shall also be paid wages by the Contractor during the period of such journey.
  - iv) The Contractor shall furnish to the concerned authorities, the particulars regarding recruitment and employment of migrant workmen in Form X.
  - v) The Contractor shall furnish in respect of every migrant workmen who ceases to be employed, a Return in Form XI to the concerned authorities in both the states. within 15 days from the date such migrant worker ceases to be employed along with a declaration that all the wages and other dues payable and the fare of return journey back to state have been paid.
- k) Payment of Bonus Act 1965:** The Act is applicable to all establishments employing 20 or more employees. The Act provides for payments of annual bonus subject to a minimum of 8.33% of wages and maximum of 20% of wages to employees drawing Rs.10,000/- per month or less. The bonus in case of employees getting Rs.3,500/- per month or above upto Rs.10,000/- per month shall be worked out by taking wages as Rs.3,500/- per month only. The Act does not apply to certain establishments. The newly set-up establishments are exempted for five years in certain circumstances. Some of the State Governments have reduced the employment size from 20 to 10 for the purpose of applicability of this Act. The Contractor shall be solely responsible for payment of bonus under the Payment of Bonus Act.
- l) Payment of Gratuity Act 1972:** Gratuity is payable to an employee under the Act on satisfaction of certain conditions on separation if an employee has completed 5 years' service or more or on death the rate of 15 days wages for every completed year of service. The Act is applicable to all establishments employing 10 or more employees. The Contractor shall be solely responsible for payment of gratuity under the Payment of Gratuity Act.
- m) Maternity Benefit Act 1951:** The Act provides for leave and some other benefits to women employees in case of confinement or miscarriage etc.
- n) Industrial Dispute Act 1947:** The Act lays down the machinery and procedure for resolution of industrial disputes, in what situations a strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment.
- o) Industrial Employment (Standing Orders) Act 1946:** It is applicable to all establishments employing 100 or more workmen (employment size reduced by some of the States and Central Government to 50). The Act provides for laying down rules

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governing the conditions of employment by the Owner on matters provided in the Act and get the same certified by the designated Authority.

**p) Trade Unions Act 1926:** The Act lays down the procedure for registration of trade unions of workmen and Owners. The Trade Unions registered under the Act have been given certain immunities from civil and criminal liabilities.

**q) Factories Act 1948:** The Act lays down the procedure for approval at plans before setting up a factory, health and safety provisions, welfare provisions, working hours, annual earned leave and rendering information regarding accidents or dangerous occurrences to designated authorities. It is applicable to premises employing 10 persons or more with aid of power or 20 or more persons without the aid of power engaged in manufacturing process.

**14.2.3** The Contractor shall strictly comply with all rules/regulations etc. as per the law in force, including but not limited to Contract labour (A&R) Act, Shops & Establishment Act, Employees Provident Fund Act, E.S.I. Act, Minimum Wages Act and the payment of wages Act, etc. as applicable during the currency of contract in respect of any employee or workmen employed or engaged by him. The Contractor shall also comply with all the rules and regulations of local authority during the performance of field activities. For any violation in this regard, the Contractor shall be solely responsible without any liability to POWERGRID. Further, with specific reference to ESI the stipulations regarding ESI of DGR guidelines shall be complied with strictly and the documentary evidence thereof shall be provided alongwith each RA bill to the full satisfaction of POWERGRID for release of the corresponding amount against the same.

**14.2.4** All registration and statutory fees, if any, in respect of Contractor's work, pursuant to this contract shall be payable by the Contractor.

**14.2.5** The Contractor shall be liable to make payment to all the deployed personnel and shall comply with labour laws pursuant to [sub-clauses 14.2.2 & 14.2.3](#) above. If POWERGRID is held liable as 'Principal employer' to pay compensation/contribution etc. under any Act or Court decision in respect of the employees of the Contractor, then the Contractor shall reimburse the amount of such compensation/contribution so paid by POWERGRID and POWERGRID reserves the right to make deductions from the amount payable to the contractor under this contract or any other contract.

**14.2.6** Further, with specific reference to the provisions in the DGR guidelines the following clarifications shall be applicable:-

(i) Regarding gratuity/terminal benefits the stipulations under DGR guidelines shall be complied strictly.

**14.2.7** Contractor shall keep POWERGRID indemnified against all claims/ liability whatsoever on account of statutory payments, costs, damages and charges arising out of personal injury / disability or death of contractor's employees caused by any reason whatsoever. POWERGRID will not be responsible for any injury, damage etc. caused to any of the Employee put on the job by the contractor directly or indirectly. In the event of any claim Contractor will be solely responsible to meet such claims and Power Grid will not entertain any claim whatsoever in this regard.

**14.2.8** The contractor shall pay to the personnel employed by him the wages not less than current Minimum wages as notified by the concerned Regional Labour Commissioner (Central) from time to time or the State Government whichever is higher in the presence of POWERGRID authorized representative. Documentary proof of payment of minimum wages having signature of Contractor or his authorized representative, POWERGRID

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representative and concerned workers must be kept in records. Contractor has to ensure the payment to his labors latest by seventh of every month in presence of POWERGRID representative, irrespective of payments from POWERGRID towards bill raised, failing which payments can be made directly from the bill, other dues and suitable action can be taken against the contractor.

**14.2.9** During continuance of the contract, the Contractor and his sub-contractors shall abide at all times by all applicable existing labour enactments and rules made there under, regulations, notifications and byelaws of the State or Central Government or local authority and any other labour law (including rules), regulations, bye laws that may be passed or notification that may be issued under any labour law in future either by the State or the Central Government or the local authority or any other law being implemented in POWERGIRD or any modifications thereof or any other law relating thereto and rules made thereunder from time to time. The employees of the Contractor in no case shall be treated as the employees of the Owner at any point of time.

**14.2.10** The Contractor shall keep the Owner/POWERGRID indemnified in case any action is taken against the Owner by the competent authority on account of contravention of any of the provisions of any Act or rules made there under, regulations or notifications including amendments.

**14.2.11** If the Owner is caused to pay under any law as Principal Owner such amount as may be necessary to cause or observe, or for non-observance of the provisions stipulated in the Notifications/Byelaws/Acts/Rules/Regulations including amendments, if any, on the part of the Contractor, the Owner shall have the right to deduct any money due to the Contractor under this contract or any other contract with the Owner including his amount of performance security for adjusting the aforesaid payment. The Owner shall also have right to recover from the Contractor any sum required or estimated to be required for making good the loss or damage suffered by the Owner.

**14.2.12 Observance of SA: 8000 Standards:** POWERGRID is a socially accountable organisation and is committed to protecting the legal rights of workers engaged in its business. POWERGRID is at present certified under the SA:8000:2008 Standards. Accordingly, POWERGRID as well as the Contractors/Agencies/Vendors working for POWERGRID are also bound to comply with this Standard for ensuring social accountability in all areas of its activities. Accordingly, Contractor shall be responsible for observance of SA 8000 standards. A copy of the presently applicable SA:8000:2008 is attached herewith for reference. All the costs/ expenses towards compliance of SA 8000 provisions (if any) shall be to the account of contractor/bidder and the bidder shall be responsible for keeping these expenses into account and quote their service charges accordingly. The contractor/agency/vendor shall submit an undertaking before the actual start of work, regarding his commitment for compliance of the SA:8000:2008 standards.

**14.2.13** *For all intents and purposes, the contractor shall be the “Employer” within the meaning of different Labour Legislations in respect of manpower employed for above referred work and deployed in the POWERGRID. The persons deployed by the contractor in the POWERGRID for carrying out the work shall not have claims of whatsoever nature against POWERGRID.*

### **14.3 INSURANCE:**

**14.3.1** The Contractor at his own cost, shall take adequate insurance coverage to take care of all of his liabilities to the extent both in time and in amount for all risks and hazards which will pertain to all the services to be provided under the contract and pursuant to his deployed personnel to the extent acceptable to Nationalized Insurance Companies. Insurance cover to be taken by Contractor shall include the following:

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### **14.3.1.1 Workmen's Compensation Insurance:**

This insurance shall protect the Contractor against all claims applicable under Workmen's Compensation Act, 1948 (Government of India). This policy shall also cover the Contractor against claims for injury, disability, disease or death of employee which for any reason are not covered under Workmen's Compensation Act, 1948. The liabilities shall not be less than: Workmen's Compensation & employee's liability as per statutory provisions.

### **14.3.1.2 ESI / Comprehensive Medical Insurance Policy in line with Employees State Insurance Act, 1948 shall be taken by the Contractor for all its employees.**

### **14.3.1.3 Comprehensive General Liability Insurance**

The insurance shall protect the Contractor against all claims arising from injuries, disabilities, disease or death of members of public or damage to property of others due to any act or omission on the part of the Contractor's deployed personnel.

**14.3.2** The hazards to be covered will pertain to all the areas where the Contractor and his deployed personnel have to perform work in pursuant to the contract.

**14.3.3** The Contractor shall prove to Authorized Representative of POWERGRID from time to time that all the insurance policies have been taken and necessary premium have been paid for keeping the policies alive till the expiry of the contract.

**14.3.4** The Contractor shall indemnify and keep indemnified POWERGRID against all losses and claims for injuries or damages to any person or property whatsoever that may arise out of or in consequence of the operation of the contract and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of or in relation thereto.

## **14.4 INSURANCE UNDER WORKMEN'S COMPENSATION ACT AND OTHER LIABILITIES:**

**14.4.1** Workmen compensation Insurance policy shall be taken by the contractor in the joint name with POWERGRID as principal employer and shall be project/ site specific. The cost to be incurred on workmen compensation insurance shall be considered to be included in the bid price (overhead charges/service charges quoted by the bidder).

**14.4.2** The Contractor at his cost shall arrange, secure and maintain all insurance as may be pertinent to the works and obligatory in terms of law against all perils and the responsibility to maintain adequate insurance coverage at all times during the period of contract shall be of the Contractor alone. The Contractor's failure in this regard shall not relieve him of any of his contractual responsibilities and obligations.

**14.4.3** The Contractor shall also be responsible for compliance of all the provisions under workmen compensation act and will take necessary insurance for all the persons to be deployed under the contract and will furnish copy of the insurance policy to POWERGRID before commencement of work. Contractor shall be responsible for any compensation what so ever to their workers in case of any omissions on the parts of the workers and POWERGRID shall not be held responsible for such omissions of workers.

**14.4.4** The perils required to be covered under the insurance shall include all risks, but not limited to fire and allied risks, miscellaneous accidents, workman compensation risks, loss or damage in transit, theft, pilferage, riot and strikes and malicious damages, civil commotions, weather conditions, accidents of all kinds etc. The Contractor shall be

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responsible for the safety and security of the employees of the Contractor & his Sub-contractors throughout execution of the works.

- 14.4.5** Insurance such as third party & workmen insurance, or any other insurance shall be arranged by the Contractor at his cost and expense.
- 14.4.6** In the event of there being any increase of workmen's compensation insurance premium under any law or any additional or new liability under the Employees laws being imposed on the contractor after the date of submission of the tender, the additional expenditure incurred by the Contractor shall be borne by him and no claims shall be entertained by POWERGRID on any account.
- 14.4.7** All costs on account of insurance liabilities covered under the Contract will be on Contractor's account and will be included in Contract Price.
- 14.4.8** In absence of valid Workmen compensation Insurance policy, compensation as decided by the labour commissioner/authority shall be payable by the contractor in case of any accidental death/ injury. POWERGRID shall not be liable for any such payments.
- 14.4.9** In the event of failure on the part of the Contractor to deposit the compensation with the concerned labour authorities, within the stipulated period of one month from the date of accident (If any), POWERGRID shall take necessary action to deposit the same with the concerned authorities and shall recover/ adjust the amount deposited from the bills submitted by the contractor anywhere in POWERGRID.

### **14.5 SAFETY ASPECTS/ EMPLOYEES WELFARE:**

- 14.5.1** The Contractor shall ensure that all the security personnel to be deployed are trained for fire-fighting and fire protection duties and in the event of a fire, the security personnel shall perform such duties as may be assigned to them by POWERGRID's representative besides taking emergency fire control measures.
- 14.5.2** POWERGRID shall provide fire protection equipment and arrange replacement/fire-filling of the same at its own cost. However, placement of equipment in designated proper location and its usability shall be the responsibility of Contractor's deployed personnel. Access of such fire protection equipment shall be easy and kept open at all time.
- 14.5.3** POWERGRID shall arrange on regular basis mock firefighting exercise wherein deployed security personnel shall be required to demonstrate their skill.
- 14.5.4** Contractor will take all safety measures and ensure that personal protective devices are being used by his workers at the time of work.
- 14.5.5** The Contractor shall also be responsible for safety of all workmen employed by them and they shall be responsible for payment of any compensation that may arise out of any accident, injury or death of workers during the execution of contract. POWERGRID shall bear no liability whatsoever towards any violations by the Contractor in this regard.
- 14.5.6** In case of any accident during the work, it will be Contractor's responsibility to lodge FIR at Police Station immediately with written information to POWERGRID and make available best treatment to the injured including lodging of insurance claim.
- 14.5.7 Compensation for death/ injury in case of accident:** In case of any accident during performance of work, contractor shall be responsible for (i) payment of medical expenses as per actual in case of injury and (ii) Payment of funeral expanses etc. as per the provision of the Act.

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The amount mentioned above shall be in addition to the compensation payable under the relevant provision of the Workmen's Compensation Act and rules framed thereunder or any other applicable laws as applicable from time to time. In case the Contractor does not pay it the above mentioned amount, such amount shall be recovered by POWERGRID from any monies due or becoming due to the contractor under the contract or any other on-going contract and passed on to the affected workman.

**14.5.8** Failure to comply with rules for Employees Welfare, Safety Code or the provisions relating to report on accidents and to grant of maternity benefits to female Employees shall make the Contractor liable to pay to the corporation as damages an amount as fixed by Engineer-in-charge for each default or materially incorrect statement. The decision of the Engineer-in-charge in such matters based on reports from the Inspecting Officers as defined in the contractors Employees Regulation to these conditions shall be final and binding and deductions for recovery of such damages may be made from any amount payable to the Contractor.

### **14.6 THEFT/DAMAGE BY CONTRACTOR'S EMPLOYEES:**

**14.6.1** If the damage/theft is caused to the POWERGRID asset/property/office equipment/ Tools and plants by personnel deployed by the contractor, than the contractor shall bear the cost of repair or replacement as per direction of Engineer-in-Charge.

**14.6.2** Any loss or damage arising out of mishandling of the materials, negligence and/ or because of carelessness or lack of knowledge of contractor's employees shall be to contractor's account. POWERGRID shall be at liberty to recover such damages from the contractor out of outstanding dues, Contract performance guarantee or any other means available with the POWERGRID.

### **14.7 CONDUCT & DISCIPLINE:**

**14.7.1** The employees deployed by the contractor shall not at any time do, cause or permit any nuisance in area of work in POWERGRID office and/or actual work site or do nothing which shall cause unnecessary disturbance or inconvenience to owners, tenants or occupants of other properties near the work area and to the public generally. If any employee is found creating any nuisance then necessary action as deemed fit shall be taken by the Contractor, immediately on receipt of such information from the Engineer-in-charge of POWERGRID or his authorised representative.

**14.7.2** Contractor shall be responsible in case any of his employees or ex-employees creates unwanted situation unwanted shouting, raises slogans against anybody within the office premises or actual work site at any time during the currency of the Contract. This act shall be considered as breach of the Contract and shall be dealt with accordingly.

## **15. LIQUIDATED DAMAGES FOR ABSENTEES & FAILURE OF PERFORMANCE**

**15.1** In case of absence of deployed personnel, substitutes will be provided by contractor without any additional liability to POWERGRID.

**15.2** In case of absence of deployed personnel, in addition to non-payment of salaries for the days of absence an amount of 1.5 times the minimum wages applicable at that time per man day of absence shall be deducted towards liquidated damages and not as penalty from the bills of Contractor.

**15.3** The total amount liquidated damages in this regard shall be subject to maximum of 10% (ten percent) of the contract price.

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### **16. SUSPENSION OF WORK :**

- 16.1** POWERGRID reserves the right to suspend and reinstate execution of the work without invalidating the provisions of the Contract. Orders for suspension or termination of the suspension or reinstatement of the work will be issued by POWERGRID.
- 16.2** Any necessary demonstrable cost incurred by the Contractor as a result of such suspension of works will be paid by POWERGRID, provided such costs are substantiated to the satisfaction of the POWERGRID. The POWERGRID shall not be responsible for any liability if suspension is due to some default on the part of the Contractor or his deployed personnel.

### **17. CONTRACTOR'S DEFAULT :**

- 17.1** In case, the Contractor neglects or fails to execute the work with due diligence or refuses or neglects to comply with any reasonable written orders issued to him, in writing by POWERGRID in connection with the works or shall contravene the provisions of the contract, POWERGRID shall give notice in writing to the Contractor to make good the failure, loss neglect or contravention complained thereof. Should the Contractor fail to comply with the notice within thirty (30) days from the date of serving the notice, then in such case POWERGRID shall be at liberty to employ other agency and forth-with execute such part of the works as the Contractor may have neglected to do so. In such an event, any additional cost incurred by POWERGRID due to appointment of any such other agency/personnel shall be recovered from Contractor or by other means including encashment of Contract Performance Guarantee.
- 17.2** Non-payment or less payment of wages by Contractor or other benefits as per DGR Guidelines/ Minimum Wage Act or any other act as provided in the Contract to the deployed personnel or non-payment of dues to the concerned statutory authorities shall also be deemed as breach of contract. In such case, POWERGRID shall have right to recover/deduct such amount from the Contractor/Contract and/or terminate the contract.

### **18. TERMINATION OF CONTRACT ON POWERGRID'S INITIATIVE**

- 18.1** POWERGRID reserves the right to terminate the contract due to reasons other than those mentioned under [GCC clause 17.0](#). POWERGRID shall, in such an event give 15 days' notice in writing to the Contractor of its decision to do so.
- 18.2** In the event of such a termination, if Contractor suffers financial liabilities due to personnel deployed for that month, the Contractor shall be paid compensation (equitable and reasonable ) dictated by the circumstances prevalent at the time of termination.
- 18.3** 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 POWERGRID is satisfied that the legal representative 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, POWERGRID shall be entitled to cancel the contract as to its uncompleted part without being anyway liable to payment of any compensation to the Estate of deceased Contractor and/or to the surviving partners of the Contractors firm on account of cancellation of the contract. The decision of the POWERGRID that the legal representative of the deceased Contractor or 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 POWERGRID shall not hold the Estate of deceased Contractor and or the surviving partner of the Estate of the deceased Contractor and/or surviving partners of the Contractor's firm liable to damages for not completing the contract.

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**19. If there is any ambiguity/discrepancy in the Bidding documents, the order of preference will be as under:**

- (a) DGR Guidelines**
- (b) Contract Agreement**
- (c) Special Conditions of Contract (SCC)**
- (d) General Conditions of Contract (GCC)**
- (e) Bid Data Sheet (BDS)**
- (f) Instructions to Bidders (ITB)**

Contents of the document at Sr. No. (a) above will have overriding precedence over other documents [Sr. No. (b) to (f) above]. Similarly, contents of document at Sr. No. (b) above will have overriding precedence over other documents [Sr. No. (c) to (f) above], and so on.

### **20. SETTLEMENT OF DISPUTES:**

- 20.1** If any dispute 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 Facilities, whether during the progress of the Facilities or after their completion and whether before or after the termination, abandonment or breach of the Contract, the parties shall seek to resolve any such dispute or difference, to the extent possible, amicably by mutual consultation.
- 20.2** If the parties fail to resolve such a dispute or difference by mutual consultation at the execution site level, then the dispute shall be referred by the Contractor to the Project Manager, who, within a period of thirty (30) days after being requested by Contractor to do so, shall give written notice of his decision.
- 20.3** The decision/instruction of the Project Manager shall be deemed to have been accepted by the Contractor unless notified by the Contractor of his intention to refer the matter for Arbitration within thirty (30) days of such decision/instruction.
- 20.4** In the event the Project Manager fails to notify his decision as aforesaid within thirty (30) days, the Contractor, if he intends to go for Arbitration, shall notify his intention to the Project Manager within 30 days of expiry of the first mentioned period of thirty days failing which it shall be deemed that there are no dispute or difference between the Employer and the Contractor.
- 20.5** In case of dispute or difference between the Employer and the Contractor, if the Employer intends to go for Arbitration, he shall notify such intention to the Contractor.

### **21. ARBITRATION:**

- 21.1** All disputes or differences in respect of which the decision, if any, of the Project Manager and/or the Head of the Implementing Authority has not become final or binding as aforesaid shall be settled by arbitration in the manner provided herein below:
- 21.2** The arbitration shall be conducted by a sole arbitrator in case the amount of claim is less than Rs.25 Crore and by three member arbitral tribunal in case the amount of claim is greater than Rs.25 Crore.

**Sole Arbitration:** The Sole Arbitrator shall be chosen from a panel of empaneled arbitrators maintained by POWERGRID. The same shall comprise of retired judges and retired senior executives of PSUs other than POWERGRID. Further, the choice of sole arbitrator shall be governed by the amount of claim in the following manner:

## GENERAL CONDITIONS OF CONTRACT

Sl. No.	Claim Amount	Work Experience/Qualifications
1	< Rs.10 Crore	Sole Arbitrator-Retired Senior Executives of PSUs other than /Retired Distt. Judges/High Court Judges.
2	Rs.10 Crore-Rs.25 Crore	Sole Arbitrator-Retired High Court/Supreme Court Judges

- a) In Case of invocation of arbitration by POWERGRID, POWERGRID shall, within 30 days, send a list of names of 3 arbitrators from its list/database of arbitrators and the Contractor shall within the period of further 30 days select any one person to act as “Sole Arbitrator”, which will be referred to such appointed arbitrator for further arbitration proceedings.
- b) In case of invocation of arbitration by the Contractor, the Contractor shall request POWERGRID for its database of Arbitrators/chose from the list of Arbitrators available on POWERGRIDs website, and the Contractor shall, within 30 days, select any one Arbitrator from the above to act as “Sole Arbitrator”, which will be confirmed by POWERGRID within 30 days, and matter will be referred to such appointed Arbitrator for further arbitration proceedings.

If the parties fail to appoint sole arbitrator within Sixty (60) days after receipt of a notice from the other party invoking Arbitration, the appointment of sole arbitrator shall be done by Courts as per the provisions of Indian Arbitration and Conciliation Act, 1996 or any statutory modification thereof.

**Three Member Arbitral Tribunal:** The arbitration shall be conducted by three arbitrators, who are retired High Court/Supreme Court Judges, one each to be nominated by the Contractor and the Employer and the third to be appointed by both the arbitrators in accordance with the Indian Arbitration & Conciliation Act. If either of the parties fails to appoint its arbitrator within Sixty (60) days after receipt of a notice from the other party invoking the Arbitration clause, the arbitrator appointed by the party invoking the arbitration clause shall become the sole arbitrator to conduct the arbitration. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus regarding appointment of the arbitrator appointed subsequently, the presiding arbitrator shall be appointed by Courts as per the provisions of Arbitration & Conciliation Act.

- 21.3** The cost of arbitral, proceedings inter-alia including the Arbitrators’ fee, logistics and any other charges shall be equally shared by both parties.

In case of Sole Arbitrator, the fees to be paid to the Sole Arbitrator shall be as per the terms of empanelment in POWERGRID whereas in case of the three member tribunal, the Arbitrator’s fees shall be as agreed upon by the Arbitrators in line with the Arbitration & Conciliation Act. However, the expenses incurred by each party in connection with the preparation, presentation, etc. of its proceedings shall be borne by each party itself.

- 21.4** The language of the arbitration proceedings and that of the documents and communications between the parties shall be English. The arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any statutory modification thereof. **The venue of arbitration shall be Jammu.**

- 21.5** The decision of the sole arbitrator/the majority of arbitrators, as the case may be, shall be final and binding upon the parties. In the event of any of the sole arbitrator/any of the aforesaid arbitrators dying, neglecting, resigning or being unable to act for any reason, it will be lawful for the parties to nominate another sole arbitrator/another arbitrator in place of the outgoing arbitrator.

- 21.6** During settlement of disputes and arbitration proceedings, both parties shall be obliged to carry out their respective obligations under the Contract.

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