SECTION – VII

APPENDIX - I TO APPENDIX – XI
SPECIAL CONDITIONS OF CONTRACT (SCC)

Appendix-I

TERMS AND PROCEDURES OF PAYMENT

In accordance with the provisions of GCC Clause 55 (Terms of Payment), the Employer shall pay the Contractor in the following manner and at the following times, on the basis of the Price Break-up given in the section on price schedules. Payments will be made in the currencies quoted by the Bidder unless otherwise agreed between the parties.

1. TERMS OF PAYMENT

In addition to the Conditions stipulated under GCC Clause 55, the following terms & Conditions will apply.

1.1. **No Initial Advance shall be paid to the contractor.**

1.2. **Progressive Payment**

Contractor shall be paid in progressive stages. Contractor shall be allowed to raise RA bill against completed works.

One hundred percent (100%) payment for the completed works, along with applicable GST will be released upon submission of following documents and upon certification by the Engineer-in-Charge.

a) Detailed GST invoice (in the name of POWERGRID MANDSAUR TRANSMISSION LIMITED).
b) Submission of proof of remittance of GST of 1st RA bill while claiming 2nd RA bill and same sequence to be continued till last RA bill.
c) Submission of CPG or request from the contractor for deduction of SD from running bills. In case of CPG submission in the form of BG, applicable % of payment shall be released after confirmation of BG from the issuing bank

1.3. **Time Limit for Payment of Final Bill**

1.3.1. The final bill shall be submitted by Contractor within three months of physical completion of the works. 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 these items of the bill in respect of which there is no dispute and of items of dispute, for quantities and at rates as approved by Engineer-in-Charge, shall be made within the period of six months from the date of receipt of the bill by the Engineer-in-Charge.

1.3.2. After payment of the amount of the final bill payable as aforesaid has been made, the Contractor may, if he so desires, reconsider his position in respect of the disputed portion of the final bill and if he fails to do so within 90 days, his disputed claim shall be dealt with as provided in the Contract.

1.4. **Payment towards Price adjustment** **(Not Applicable)**

1.5. **Payment towards Taxes and Duties**

(a) GST shall be reimbursed along with progressive payment. All GST payment shall be against GST Invoices/Debit Notes raised by the Contractor as 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/Debit Note in the form and manner prescribed under the GST Act and Rules, the Employer shall not be liable to make any payment against such Invoice/Debit Note. Payment towards taxes & duties shall be released by the Employer directly to the Contractor.

(b) The TDS on GST, as applicable, shall be deducted from each payment against GST invoices. The TDS on GST, so deducted will be reflected against the GST number in the GST portal by filing GSTR-07 in due course.

1.6. **Paying Authority: In-Charge (F&A), PPPFC, SR-2 RHQ, Bengaluru** shall be the Paying Authority.

2. PAYMENT PROCEDURES

2.1. **Method of Payment**

All the payments to be made directly to the contractor/vendor under the contract shall be made by POWERGRID through electronic payment mechanism (e-payment) only for which necessary details shall be tied up during execution of the contract. **All the payments shall be released by PPPFC Bengaluru within 30 Days**.

2.2. **Bill Tracking System**

Prior to submission of bills in physical form, the Contractor shall submit its bills using On-line Vendor Bill Tracking System (referred to as **the BTS**) of POWERGRID as per procedure detailed herein below. Further, the Contractor may track the status of its bills using the BTS. To use this system the Contractor is required to get itself registered once online at ERP Portal of POWERGRID with the link URL (https://vendor.powergrid.in). Once registered, the Contractor may track status of bills submitted, passed and paid by POWERGRID this Contract and other Contracts awarded on it by POWERGRID by following the method detailed herein below:

(a) Once registered, the Contractor can login to POWERGRID's Vendor Bill Tracking System (BTS) with Vendor login 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 will receive an automated email forwarding the unique BTS number.

(c) The option to attach the soft copies of the documents has been enabled in BTS at https://vendor.powergrid.in The attachment can be done after creation of BTS ID

(d) The SOP for this process can be viewed after login to the Bill Tracking System portal with the following path.

https://vendor.powergrid.in/ →→ *INVOICE SUBMITTED* TAB →→ *Invoice Attachments* →→ *SOP for uploading Documents*

(e) After attachment of the soft copies of the bills, please send the original hard copy documents to the respective Engineer-in-charge.

Alternately, the hard copy of the bills along with all enclosures can also be submitted directly to the following address after submission of soft copies of the bills to site engineer after creation of BTS ID.

Power Grid Corporation of India Ltd.
POWERGRID Payment Processing and Facilitation Center (PPPFC),
Central Receipt section,
Near RTO Driving Test Track, Singnayakanahalli
Yelahanka – Dodaballapur Road, Yelahanka Hobli
Bengaluru (Karnataka) – 560 064

BTS ID: _____

Enter correct BTS ID to ensure original bills are not misplaced. POWERGRID shall not be responsible if bills are misplaced due to incorrect BTS ID

Send all the original hard copy documents in an envelope marked with above address and BTS ID

(f) On 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 Supplier.

(g) The status of Bill submitted by the Supplier can be checked through the BTS number under tab "Invoice submitted".

3. **POWERGRID is registered on TReDS (Trade Receivables Discounting System) platforms namely i.e. RXIL (Receivable Exchange of India Limited), M1-xchange (Mynd Solutions Private Limited), Invoicemart (A.TReDS Limited), C2TReDS (C2FO Factoring Solutions Private Limited) and DTX (KredX Platform Private Limited) and the facility of the same may be availed by Micro, Small and Medium Enterprises (MSMEs) for payment.**

**** End of Appendix-I ****

Appendix – II

The prices shall remain firm and fixed during the execution of the Contract.

**** End of Appendix-II ****

Appendix-III

INSURANCE REQUIREMENTS

1. The Contractor shall at its expense take out and maintain in effect or cause to be taken out and maintained in effect, during the performance of the Contract, the insurances set forth below in the sums and with the deductibles and other conditions specified. The form and the limit of such insurance as defined herein together with the underwriter in each case shall be acceptable to the Employer.

2. The Contractor shall provide the Employer with a copy of all insurance policies and documents taken under this in pursuance of the contract. Such copies of documents shall be submitted to the Employer immediately after such insurance coverage.

3. The Employer (including without limitation any consultant, servant, agent or employee of the Employer) shall not in any circumstances be liable to the Contractor for any loss of or damage to any of the Contractor's Equipment or for any losses, liabilities, costs, claims, actions or demands which the Contractor may incur or which may be made against it as a result of or in connection with any such loss or damage.

4. Insurances to be taken out by the Contractor

4.1. <u>Erection All Risk Policy/Contractor All Risk Policy</u>

(I) The policy should cover all physical loss or damage to the facility at site during storage, erection and commissioning covering all the perils as provided in the policy as a basic cover and the add on covers as mentioned at Sl. No. (III) below:

Amount	***Deductible limits***	***Parties insured***	***From***	***To***
100% of Contract Price	*Minimum Deductible as per Tariff Advisory Committee guidelines**	Contractor & Employer	Date of Commencement of Work	Date of Completion of Work

* *The deductibles as aforesaid shall not absolve the Contractor of his risks and liabilities under the contract provisions for insurance and in case of a claim under the policy, deductibles, if any, shall be to the Contractor's account.*

(II) The Contractor shall take the policy in the joint name of Employer and the Contractor. All these policies shall indicate employer as the co-insured and beneficiary. The policy shall be kept valid till the date of completion of entire work and taking over of the completed works by the Employer.

(III) The following add-on covers shall also be taken by the Contractor:
(a) Earthquake
(b) Terrorism

(c) Escalation cost (approximately @10% of sum insured on annual basis)
(d) Extended Maintenance cover for Defect Liability Period
(e) Design Defect
(f) Other add-on covers viz., 50-50 clause, 72 hours clause, loss minimization clause, waiver of subrogation clause (for projects of more than Rs.100 crores, cover for offsite storage/fabrication (over Rs.100 crores).

(IV) **Third Party Liability cover with cross Liability** within Geographical limits of India as on add-on cover to the basic EAR cover

Amount	***Deductible limits***	***Parties insured***	***From***	***To***
Rs. 5,00,000/- single occurrence /multiple occurrences in aggregate during the entire policy period.	*Minimum Deductible as per Tariff Advisory Committee guidelines**	Contractor/ Sub-contractor	Date of Commencement of Work	Date of Completion of Work

* *The deductibles as aforesaid shall not absolve the Contractor of his risks and liabilities under the contract provisions for insurance and in case of a claim under the policy, deductibles, if any, shall be to the Contractor's account*

The Third-Party Liability add-on cover shall cover bodily injury or death suffered by third parties (including the Employer's personnel) and loss of or damage to property (including the Employer's property and any parts of the Facilities which have been accepted by the Employer) occurring in connection with execution of the works under the contract.

4.2. **<u>Employee Compensation Policy</u>**

(I) The policy may either be project specific covering all men of the Contractor and its Subcontractors. The policy shall be kept valid till the date of Operational Acceptance of the project.

Alternatively, if the Contractor has an existing 'Employee Compensation Policy' for all its employees including that of the Subcontractor(s), the Contractor must include the interest of the Employer for this specific Project in its existing 'Employee Compensation Policy'.

(II) Without relieving the Contractor of its obligations and responsibilities under this Contract, before commencing work the Contractor shall insure against liability for death of or injury to persons employed by the Contractor including liability by statute and at common law. The insurance cover shall be maintained until all work including remedial work is completed including the Defect Liability Period. The insurance shall be extended to indemnify the Principal for the Principal's statutory liability to persons employed by the Contractor.

The Contractor shall also ensure that each of its Subcontractors shall effect and maintain insurance on the same basis as the 'Employee Compensation Policy' effected by the Contractor

4.3. The Contractor shall ensure that all the vehicles deployed by the Contractor or its Subcontractors (whether or not owned by them) in connection with the supply and installation of the Facilities in the project are duly insured as per relevant provisions of the Motor Vehicle Act.

5. The aforesaid insurance policy/policies shall provide that they shall not be cancelled until the Engineer-in-Charge has agreed to their cancellation.

6. The Contractor shall prove to the Engineer-in-Charge from time to time that he has taken out all the insurance policies referred to above and has paid the necessary premiums for keeping the policies alive till the project is taken over in accordance with the definition of Taking Over, as defined in this document elsewhere.

7. The Contractor shall ensure that similar insurance policies are taken out by his sub-contractors (if any) and shall be responsible for any claims or losses to the Employer resulting from their failure to obtain adequate insurance protection in connection thereof. The Contractor shall produce or cause to be produced by his sub-contractors (if any) as the case may be, the relevant policy or policies and premium receipts as and when required by the Engineer-in-charge.

8. If the Contractor shall fail to effect and keep in force the insurance referred to above or any other insurance which he/they may be required to effect under the terms of the Contract then and in any such case the Employer may, without being bound to effect and keep in force any such insurance and pay such premium or premiums as may be necessary for that purpose and from time to time deduct the amount so paid by the Employer from any money due or which may become due to the Contractor or recover the same as a debt due from the contract.

****End of Appendix-III****

Appendix-IV

TIME SCHEDULE

1. Time for Completion is the essence of Contract. The Project Completion Schedule shall be as follows:

Activities	Duration in months from the effective date of Contract
Taking Over by the Employer upon successful Completion of: Construction of Closed cum semi-closed store & open storage platform at 765/400/220kv Mandsaur (New) substation SPECIFICATION NO: WR2/T/W-CIVIL/DOM/G01/26/14980 Rfx No.: 5002005801	**06 Months**

2. Liquidated Damages for Delay by Contractor

2.1. If the Contractor fails to complete the work including successful trial operation, where applicable, and clear the site on or before the contractual date of completion, he shall, without prejudice to any other right or remedy of the Employer on account of such breach, pay to the Employer as liquidated damages, not as penalty, a sum equivalent to 0.05% (zero point zero five percent) of the Contract Price for the whole of the facilities (or a part for which a separate time for completion is agreed), for each day which shall elapse between the relevant Time for Completion and the date stated in Taking Over Certificate of the whole of the Works (or a part for which a separate time for completion is agreed) subject to the limit of five percent (5%) of Contract Price for the whole of the facilities (or a part for which a separate time for completion is agreed).

2.2. The parties agree that the sum specified above is not a penalty but a genuine pre-estimate of the loss/damage which will be suffered by the Employer for default on the part of the Contractor and said amount will be payable without proof of actual loss or damage caused by such default.

2.3. The Employer may, without prejudice to any other method of recovery, deduct the amount of such damages from any monies due or to become due to the Contractor. The payment or deduction of such damages shall not relieve the Contractor from his obligation to complete the Works, or from any other of his obligations and liabilities under the Contract.

2.4. No bonus will be given for earlier Completion of the Facilities or part thereof.

****End of Appendix-IV****

Appendix-V

SAFETY PROVISIONS

The Contractor shall be responsible for the safety during all activities at the Site.

I. The Contractor shall:
   a. comply with all applicable safety regulations and Laws;
   b. comply with all applicable safety obligations specified in the Contract;
   c. ensure proper safety of all workmen, materials, plant and equipment belonging to him/subcontractor working at Site or entitled to be on the Site or other places, if any, where the works are being executed. The Sub-Contractor's workmen /employees shall also be considered as the Contractor's employees/ workmen. Contractor shall be responsible for safety of all employees/workmen belonging to him or his subcontractor.

II. All equipment (machineries/ lifting T&Ps/ wire sling/ polypropylene ropes etc.) shall be strictly operated /used and maintained by the Contractor in accordance with manufacturer's Operation Manual /safety instructions and as per guidelines /rules of Employer in this regard.

III. The Contractor shall not make any connection /change in any electrical equipment belonging to the Employer or other Contractors without prior written permission of Engineer-in-charge.

IV. The equipment must be declared safe by the Engineer-in-charge and a permit to work/permission shall be issued by the Engineer-in-charge before any work. No work shall be carried out on any live equipment.

V. The Contractor shall deploy fulltime Supervisor or Safety Supervisor/Steward (if deployed workmen are more than 10 at a site). He shall brief to each worker daily before start of work about safety requirement and precautions to be taken against the imminent dangers (Daily Safety pep-talk).

   In-case of manpower deployed at a site is less than 10 then Agency will nominate senior most experienced worker as gang leader/steward for above works.

VI. In case of any accident-
   a. The Contractor shall promptly inform to the Engineer-in-charge and also to all the authorities envisaged under the applicable laws.
   b. The Contractor shall ensure that the affected person(s) must be administered first-aid and all efforts made to immediately shift to nearby hospital or any other such place for medical treatment. Contractor shall bear all medical expenditure for treatment of accident victim.

VII. POWERGRID's Engineer-in-charge or his deputed representative shall have the right at his sole discretion to stop the work, if in his opinion the work is being carried out in

such a way that it may cause accidents and endanger the safety of the persons and/or property, and/or equipment.

VIII. It is mandatory for the Contractor to observe the following during the execution of the works:

a. Safety induction training (02-days training for skilled/semi-skilled & 01-day training for unskilled) shall be provided by the Agency to the staff/ gang.

b. Contractor shall procure (if required) sufficient quantity of Earthing equipment/ Earthing devices complying with requirements of relevant IEC standards and to the satisfaction of POWERGRID Engineer In-Charge.

c. The Contractor shall provide standard personal protective equipment (helmet, electrical safety shoe, gloves, goggles, safety harness, fall arrestors, reflective jackets) and sufficient quantity of tools to all employees and workmen as per the need or as may be directed by the Engineer-in-charge.

d. Contractor shall provide communication facilities as per requirement i.e. Walky–Talkie/mega-phones/mobile phone, display of flags/whistles for easy communication among workers during the activity.

e. The gang leader/supervisor staff present at ground should have constant vigil on the workers working at height to alert them. Workers working at height should not be allowed use of mobile phone.

f. Labour camps shall be provided to the workers wherever necessary. Camps shall be adequately lighted, ventilated, maintained in a clean and sanitary condition with proper toilet facility.

g. First-aid box should be available at site.

IX. The Contractor shall provide safe working conditions to all workmen and potable/ safe drinking water for workers at site /at camp with required hygiene and sanitation.

X. The Contractor shall submit the following documents to the Engineer In- Charge before deployment of manpower (or) before start of work:

a. Safe work procedure for each activity to be prepared by Agency and to be submitted to Engineer in-charge.

b. Safety Policy/ Safety Document of the Contractor's company.

c. Contractor shall also submit list of identified emergency facilities available at nearby site.

d. Health checkup of all workers from competent agencies/ departments before deployment at site.

e. Documentary evidences in regard to compliance to various statutory requirements i.e. License's (Labor license, electrical license, explosive etc.), certificates & registration's (BOCW), Insurance (WC policy/ ESIC, public liability etc.)

XI. In case of accidents, the following methodology will be adopted:

a. In case of first fatal accident at the site (or adjacent thereto) of bidder during financial year, bids submitted by such bidder shall be considered non-responsive for all regional /site packages across POWERGRID (including consultancy) whose date of bid opening, originally scheduled and/or actual, falls within the 06 months reckoned from the date of the first fatal accident.

b. Subsequent to bidder's involvement in two cumulative fatal accidents during any financial year, bids submitted by such bidder shall be considered non-responsive for all regional /site packages across POWERGRID (including consultancy) whose date of bid opening, originally scheduled and/or actual, falls within the 01-year reckoned from the date of the second fatal accident (or) 18 months from the date of first fatal accident, whichever is later.

c. For every subsequent fatal accident in same financial year bids shall be considered non-responsive in the manner as above for additional 12-month period. This period shall however, in sequence to and shall commence after expiry of non-responsiveness period on account of earlier accidents.

d. Non-responsiveness period shall be irrespective of financial years and shall be in sequence to expiry of earlier non-responsiveness period.

XII. Notwithstanding above, if the original contract price is above ₹1 crore, the Contractor shall also be responsible for payment of a sum as indicated below to be deposited in the "Safety Corpus Fund'".

a.	Upon 1st accident causing fatal/ accident causing 25% or more permanent disablement.	1% of the Contract price, as awarded.
b.	Upon 2nd accident causing fatal/ accident causing 25% or more permanent disablement.	2% of the Contract price, as awarded.
c.	Re-occurrence of accident causing fatal/ accident causing 25% or more permanent disablement even after the 2nd accident	3% of the Contract price, as awarded.

For the purpose of recovery under this clause, the count of accident shall be package wise.

The amount deposited in Safety Corpus fund shall be utilized for general safety awareness for contract workers across POWERGRID (owned as well as consultancy). GST, if any, applicable on recoveries as mentioned in this clause, shall be payable by the Contractor in addition to the amount of recoveries mentioned therein.

XIII. Non-reporting of any accident to the Employer in any ongoing contract with the Employer or any suppression of facts/related information in regard to accident shall lead to determination of bid of such Contractors as non-responsive for all packages whose date of bid opening, originally scheduled and/or actual falls within a period of one year reckoned from the date on which the Employer determines Non-reporting of the accident/Suppression of facts/related information in regard to accident by the Contractor.

****End of Appendix-V****

Appendix-VI

CONTRACT CO-ORDINATION PROCEDURE

1.0 Correspondence

1.1 All correspondence on technical matters shall be addressed to the Engineer-in-Charge.

1.2 All correspondence on post award Commercial/Contractual/Financial and other matters shall be addressed to the Engineer-in-charge.

1.3 All correspondence on site matters shall be addressed to concerned consignee/ officer-in-charge with a copy to the Engineer-in-charge.

2.0 Engineer-In-Charge:

2.1 **Chief Manager, Mandsaur will be the Engineer-in-charge for the subject work. The address of the Engineer-in-charge is as follows:**

Chief Manager, Mandsaur
Mandsaur SS
POWERGRID Mandsaur Transmission Limited

The **Engineer-in-charge** may authorise any of his officers as his representative for the execution of the subject work.

****End of Appendix-VI****

Appendix-VII

PERFORMANCE SECURITY FORM

(For the purpose of verification/confirmation of this Bank Guarantee by the Employer, the Bank shall indicate 2 official email ids of the authorized signatories from Issuing Branch and also of the designated higher office (Corporate Office, Zonal Office etc)in the covering letter of the Bank forwarding the Bank Guarantee.)

Bank Guarantee No. …… Date.....

NOA/Contract No.....

……..*[Name of Contract]*…….

To: *[Name and address of the Owner]*

Dear Ladies and/or Gentlemen,

We refer to the Contract ("the Contract")

vide notification of award issued on ..... (*insert date of the notification of award*)….by M/s. Power Grid Corporation of India Ltd., Western Region Transmission System-II, Regional Head Quarter, Plot No 54, Opp. Ambe Vidyalaya, Sama Savli Road, Vadodara – 390024 ("the Employer"/"POWERGRID") on behalf of ….. Name of OWNER…….. (hereinafter referred to as 'Owner') to M/s ..... *(Name of Contractor)* .....,

(or)

signed on .....(*insert date of the Contract*)…..... between M/s. Power Grid Corporation of India Ltd., Western Region Transmission System-II, Regional Head Quarter, Plot No 54, Opp. Ambe Vidyalaya, Sama Savli Road, Vadodara – 390024 ("the Employer"/"POWERGRID") on behalf of ….. Name of OWNER…….. (hereinafter referred to as 'Owner'), and M/s ..... *(Name of Contractor)* .....,

having its Principal place of business at ……...*(Address of Contractor)* ..... and Registered Office at ……...*(Registered address of Contractor)* ..... ("the Contractor") concerning ……..…. *(Indicate brief scope of work)* ..... for the complete execution of the …… *(insert name of Package alongwith name of the Project)…….. [Applicable for Bank Guarantees issued by Contractor/Associate for those Contracts awarded to them]*

Or

We refer to the Contract signed on .....*(insert date of the Contract)*…..... between **M/s. Power Grid Corporation of India Ltd., Western Region Transmission System-II, Regional Head Quarter, Plot No 54, Opp. Ambe Vidyalaya, Sama Savli Road, Vadodara – 390024 ("the Employer"/"POWERGRID") on behalf of ….. Name of OWNER…….. (hereinafter**

referred to as 'Owner') and M/s ..... *(Name of Contractor)* ....., having its Principal place of business at ……....*(Address of Contractor)* ..... and Registered Office at ……....*(Registered address of Contractor)* ..... ("the Contractor") and the Contract ("the Contract") signed on .....*(insert date of the Contract)*…..... between **M/s. Power Grid Power Grid Corporation of India Ltd., Western Region Transmission System-II, Regional Head Quarter, Plot No 54, Opp. Ambe Vidyalaya, Sama Savli Road, Vadodara – 390024 ("the Employer"/"POWERGRID") on behalf of ….. Name of OWNER…….. (hereinafter referred to as 'Owner')** and M/s ..... *(Name of Associate)* ..... (or) vide notification of award issued on ..... (insert date of the notification of award)….by **M/s. Power Grid Corporation of India Ltd., Western Region Transmission System-II, Regional Head Quarter, Plot No 54, Opp. Ambe Vidyalaya ,Sama Savli Road, Vadodara – 390024 ("the Employer"/"POWERGRID") on behalf of ….. Name of OWNER…….. (hereinafter referred to as 'Owner')** to M/s ..... (Name of Contractor) ....., having its Principal place of business at ……..... *(Address of Associate)* ..... and Registered Office at ……..... *(Registered address of Associate)* ....., the Associate of the Contractor for executing the Facilities concerning ……..... *(Indicate brief scope of work)* ..... for the complete execution of the …… *(insert name of Package alongwith name of the Project)…….. [Applicable for Bank Guarantees to be issued by Contractor against those Contracts awarded to their Associate]*

By this letter we, the undersigned, ……*(insert name & address of the issuing bank)* ……, a Bank (which expression shall include its successors, administrators, executors and assigns) organized under the laws of ..... and having its Registered/Head Office at ….…….*(insert address of registered office of the bank)*……..... do hereby irrevocably guarantee payment to **the Owner / Employer** up to …….. i.e., **10% (Ten percent)** of the Contract Price until ninety (90) days beyond the Defect Liability Period i.e., upto and inclusive of ……. *(dd/mm/yy)*.

We undertake to make payment under this Letter of Guarantee upon receipt by us of your first written demand signed by **the Employer's duly authorized officer or the authorized officer of Owner** declaring the Contractor to be in default under the Contract and without cavil or argument any sum or sums within the above named limits, without your need to prove or show grounds or reasons for your demand and without the right of the Contractor to dispute or question such demand.

Our liability under this Letter of Guarantee shall be to pay to **the Owner / Employer** whichever is the lesser of the sum so requested or the amount then guaranteed hereunder in respect of any demand duly made hereunder prior to expiry of the Letter of Guarantee, without being entitled to inquire whether or not this payment is lawfully demanded.

This letter of Guarantee shall remain in full force and shall be valid from the date of issue until ninety (90) days beyond the Defect Liability Period of the Facilities i.e. upto and inclusive of ……. *(dd/mm/yy)* and shall be extended from time to time for such period (not exceeding one year), as may be desired by M/s. …… on whose behalf this Letter of Guarantee has been given.

Except for the documents herein specified, no other documents or other action shall be required, notwithstanding any applicable law or regulation.

Our liability under this Letter of Guarantee shall become null and void immediately upon its expiry, whether it is returned or not, and no claim may be made hereunder after such expiry or after the aggregate of the sums paid by us to **the Owner / Employer** shall equal the sums guaranteed hereunder, whichever is the earlier.

All notices to be given under shall be given by registered (airmail) posts to the addressee at the address herein set out or as otherwise advised by and between the parties hereto.

We hereby agree that any part of the Contract may be amended, renewed, extended, modified, compromised, released or discharged by mutual agreement between **the Owner / Employer** and the Contractor, and this security may be exchanged or surrendered without in any way impairing or affecting our liabilities hereunder without notices to us and without the necessity for any additional endorsement, consent or guarantee by us, provided, however, that the sum guaranteed shall not be increased or decreased.

No action, event or condition which by any applicable law should operate to discharge us from liability hereunder shall have any effect and we hereby waive any right we may have to apply such law so that in all respects our liability hereunder shall be irrevocable and, except as stated herein, unconditional in all respects.

"Notwithstanding anything contained herein:

1. Our liability under this Bank Guarantee shall not exceed _____ (value in figures) _____ [_____ (value in words)_____].

2. This Bank Guarantee shall be valid upto _____(validity date)_____.

3. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if we receive a written claim or demand on or before (validity date plus additional six (06) months claim period) _____.

4. At the end of the claim period that is on or after _____(Validity date plus additional six (06) months claim period) all your rights under this Guarantee shall stand extinguished and we shall be discharged from all our liabilities under this Guarantee irrespective of receipt of original Bank Guarantee.

For and on behalf of the Bank

[*Signature of the authorised signatory(ies)*]

Signature_____

Name_____

Designation_____

POA Number_____

Contact Number(s): Tel._____Mobile_____

Fax Number_____

email _____

Common Seal of the Bank_____

Witness:

Signature_____

Name_____

Address_____

Contact Number(s): Tel._____Mobile_____

email _____

Note :

1. For the purpose of executing the Bank Guarantee, the non-judicial stamp papers of appropriate value shall be purchased in the name of Bank who issues the 'Bank Guarantee'.

2. The Bank Guarantee shall be signed on all the pages by the Bank Authorities indicating their POA nos. and should invariably be witnessed.

3. The Bank Guarantee should be in accordance with the proforma as provided. However, in case the issuing bank insists for additional paragraph regarding applicability of ICC publication No. 758, the following may be added at the end of the proforma of the Bank Guarantee [*i.e., end paragraph of the Bank Guarantee preceding the signature(s) of the issuing authority(ies) of the Bank Guarantee*]:

   "This Guarantee is subject to Uniform Rules for Demand Guarantee, ICC publication No. 758 except that article 15(a) is hereby excluded."

****End of Appendix-VII****

Annexure VIII

FORM FOR INFORMATION TO BE FURNISHED BY THE CONTRACTOR IN RESPECT OF THE PROCUREMENT MADE FROM MSE VENDORS

Pursuant to GCC Clause No. 15.4, We hereby furnish the following information regarding the procurement made by us form Micro and Small Enterprises (MSEs) directly or through our sub-suppliers/sub-vendors as per the details given herein below:

Sl. No.	Contract Agreement No.	Name of Contractor/Supplier*	Item Description as per contract Agreement	Qty	Total Value (In Rs.)	Executing Region	Items/components/raw materials sourced from MSE vendor for production of item at column 4	Total Value of the items/components/raw materials used for item at column 4 (In Rs.)	Name of MSE Vendor	Category (only Micro or Small)	Whether MSE owned by persons belonging to SC/ST category
1	2	3	4	5	6	7	8	9	10	11	12

Further, we hereby declare and confirm that the information mentioned above is correct and complete to best of our knowledge and the category of MSE vendors, as mentioned in the table above, has been ascertained at our end.

Note:

1. The Contractor shall be required to furnish the aforesaid information (contract-wise) on semi-annual basis i.e for period from 1st April to 30th September and from 1st October to 31st March for each Financial Year.
2. Submission of aforesaid information for the preceding 6 months, in respect of all the contracts in the respective executing Region of POWERGRID, shall be a condition for processing of bills by POWERGRID for payment after 30th September /31st March, as the case may be.
3. Only those items of Contract Agreement may be included which involve sourcing of items/components/raw materials/ services from MSEs.

Name of Contractor ----------

Name of Authorised Person ----------

Designation ----------

Signature ----------

****End of Appendix-VIII****

Appendix-IX

CONCILIATION

1.1 The mechanism of Dispute resolution through Conciliation shall be available in cases where the amount involved in the dispute exceeds INR 1 Cr.

1.2 The settlement of Disputes through conciliation mechanism shall be done by the Conciliation Committee of Independent Experts (CCIE) constituted by Ministry of Power, Govt. of India as per the procedure outlined in its OM dated 29.12.2021 as detailed herein below and its subsequent amendments/modifications (if any).

1.3 Each member of CCIE would be paid a sum of Rs. 50,000/- as sitting fee per sitting. In addition, Rs. 5,000/- per sitting will be paid for local transport charges for each day of proceeding. The conciliation proceedings shall be completed in each case through 5 sittings in a period of not more than three months from the date the reference made to the CCIE. In exceptional cases, if any dispute so merits, the time period may be extended at the discretion of Conciliation Committee (with reasons to be recorded in writing), for a further period of three months. In case, a particular dispute requires more than 5 sittings, the same may be held at the discretion of the CCIE but with a cap on payment of fee for 5 sittings only. The local transport charges shall, however, be paid as provided for each day of sitting beyond the 5 sittings.

1.4 The CCIE shall hold day to day sitting at the Headquarter of the Employer or New Delhi and may hold as many sittings every month as it deems appropriate keeping in view the volume of work.

1.5 All expenditure incurred on the conciliation proceedings including payment of fees to the Conciliators, office space, logistic, secretarial assistance and other incidental expenses etc. shall be borne by the Employer initially. Thereafter it shall be shared equally by both parties on completion of the conciliation process.

1.6 The procedure of CCIE shall not be treated as alternate arbitration proceedings where both parties come with Statement of

claims/defence, arguments/counter arguments, rejoinders, written submissions etc., aided by their respective lawyers. The forum of CCIE is a conciliation forum, where mutual give and take constitutes the essence, rather than strict legal positions of the parties. Hence, the parties are expected to be brief and to the point before the committee with regard to their respective stance and view the exercise in the spirit of conciliation / settlement.

1.7 The Standard Operating Procedure for the conciliation mechanism shall be as follows:

i. On receipt of a reference from the Contractor for conciliation of dispute, the concerned Executive Director (Region) of the Employer shall send a communication within 7 working days thereby inviting the Contractor to depute a team of their representatives to interact with the Employer to crystallize the issues and prepare the agenda containing the gist on each dispute.

ii. Once a conciliation request has been raised by the contractor, within 30 days the same shall be referred to the CCIE in the event of the matter remaining unresolved internally.

iii. The Employer will also be free to suggest the option of resolution of disputes by conciliation in case a dispute has arisen. The contractor may select any one of the CCIEs as constituted by MOP after leaving out those CCIEs which are unavailable due to work load or any other reason as maintained by Central Electricity Authority (CEA).

iv. The Conciliation process shall be conducted under Part III of the Arbitration and Conciliation Act, 1996.

v. The Conciliation Committee would either be able to resolve and settle the dispute(s) between the parties, or the process may fail.

vi. In the event of the conciliation proceedings being successful, the parties to the dispute would sign the written settlement agreement and the conciliators would authenticate the same. Such settlement agreement would then be binding on the parties in terms of Section 73

of the Arbitration and Conciliation Act, 1996.

vii. After successful conclusion of Conciliation, proceedings, the Parties to the conciliation process, have to undertake and complete all necessary actions for implementation of the terms of settlement within a period of 30 days from execution of settlement agreement, unless a different timeline not exceeding 60 days is agreed upon in settlement agreement. All pending claims of parties, in connection with the dispute, before any other legal forum are to be withdrawn within the said 30 days in pursuance of the settlement agreement.

viii. In case of failure of the conciliation process at the level of the Conciliation Committee, the parties may withdraw from conciliation process and take recourse to the laid down legal process of Courts. However, the option of Arbitration would not be available once the conciliation mechanism has been exercised.

1.8 In cases of disputes pending before the Arbitration Tribunals or the Courts, both of the parties (i.e. Employer and Contractor) need to agree to explore the possibilities of conciliation through the Conciliation Committee of Independent Experts. In case of such agreement, an appropriate reference shall be made to the Conciliation Committee, upon which the Committee shall proceed to examine such reference(s). The option of resolution through conciliation through CCIE would be open only in the event of the parties withdrawing from arbitration proceedings and undertaking to forego their rights to proceed for further arbitration in the subject matter. However, other legal remedies would be open to the parties in the event of the conciliation proceedings not being successful.

1.9 During settlement of disputes and conciliation proceedings, both parties shall be obliged to carry out their respective obligations under the Contract.

Appendix-X

1.	GCC 15.2 and 15.3 And SCHEDULE-A 15vi) Aa and 15 (vi) Ab	Replace the existing clause with following: 15.1 The Engineer-in-Charge shall have powers (i) to make alteration in, omission from, additions to, or substitutions in 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, and the Contractor shall be bound to carry out the Works in accordance with any instructions given to him in writing by the Engineer-in-Charge and such alterations, omission, additions or substitutions shall form a part of the contract and any altered, additional or substituted work which the Contractor may be directed to do in the manner above specified as part of the Works, shall be carried out by the Contractor on the same conditions in all respects including price on which he agreed to do the main work. Any alterations, omissions, additions or substitutions which radically change the original nature of the Contract shall be ordered by the Engineer-in-Charge as a deviation and in the event of any deviation being ordered which in the opinion of the Contractor changes the original nature of the Contract, he shall nevertheless carry it out and the disagreement, if any, so to the nature of work and the rate to be paid therefore shall be resolved in accordance with Clause 40 'Arbitration'/Reconciliation . **For the purpose of this Clause, Change is broadly categorized in the following three categories: -** **(i) <u>Existing item</u>: Any item existing in the BoQ in Contract.** **(ii) <u>Substituted item</u>: Any item which is to be included in lieu of an existing item in the BoQ in Contract.** **(iii) <u>New item</u>: Any item which was not originally included in the BoQ in Contract.** If rates and prices of any change are not available in the Contract, the parties thereto shall agree on specific rates for the valuation of the change and all matters therein related to the change. For arriving at such rates for the valuation of change, following guidelines are hereby specified: - <u>1: For New items</u>: -

		a) If possible, the rate shall be arrived at on the basis of similar item available in the contract. b) In case similar item is not available in the Contract, the rate shall be arrived taking into consideration the following documents in the given order of preference: - i) POWERGRID SOR (with suitable adjustment in regard to the Price Level) ii) Analysis of Delhi Schedule of Rates issued by CPWD and considering the declared factor for adjustment. iii) Based on the rates of that item available in other Contracts/LOAs: For this purpose, average of rates of that item available in other awards placed during last 02 years for the same region, after suitable extrapolation, wherever required, to bring it to current level and after effecting price adjustment, if any, required on account of mismatch of specifications may be used. iv) Rate(s) established from the lowest budgetary quotation from various manufacturers/suppliers (minimum three nos.) plus 15% to cover Contractor's profit and overhead. The finalization of new rates in certain cases may be based on the combination of more than one of the guidelines described at Para a) & b) above. <u>2: For Substitute items:</u> 2.1 For arriving at the rate for Substitute item, the rate for the Existing item (to be substituted) and Substitute item shall be arrived in the similar manner as stipulated at para GCC 1 (b) above. (a) If the arrived rate for the Substitute item so determined is more than the arrived rate of the Existing item (to be substituted), the rate payable to the Contractor for the Substitute item shall be the rate for the Existing item (to be substituted) as per Contract so increased to the extent of difference between the arrived rates of Substitute item and the Existing item (to be substituted). (b) If the arrived rate for the Substitute item so determined is less than the arrived rate of the Existing item (to be substituted), the rate payable

		to the Contractor for the Substitute item shall be the rate for the Existing item (to be substituted) as per Contract so decreased to the extent of difference between the arrived rates of Substitute item and the Existing item (to be substituted). 2.2 Based on the agreed rates for valuation of the change as above and all matters therein related to the change, the Employer shall, if it intends to proceed with the Change, issue the Contractor with a Change Order. 2.3 In case the rate for a New item is finalized on the basis of similar item available in the Contract as per GCC 1 (a) above, such rate shall be subject to further Price adjustment as per Appendix-2 to the Contract Agreement, as applicable, to the Contract item based on which the rate has been arrived at. However, for all other cases, the rate so finalized shall not be subject to any further adjustment as per Appendix-2 to the Contract Agreement

1.0 Code of Integrity for Public Procurement

1.1 Employer as well as bidders, suppliers, contractors and consultants should observe the highest standard of ethics and should not indulge in the following prohibited practices, either directly or indirectly, at any stage during the procurement process or during execution of resultant contracts:

i) "Corrupt practice": making offers, solicitation or acceptance of bribe, rewards or gifts or any material benefit, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process or contract execution;

ii) "Fraudulent practice": any omission or misrepresentation that may mislead or attempt to mislead so that financial or other benefits may be obtained or an obligation avoided. This includes making false declaration or providing false information for participation in a tender process or to secure a contract or in execution of the contract;

iii) "Anti-competitive practice": any collusion, bid rigging or anti-competitive arrangement, or any other practice coming under the purview of The Competition Act, 2002, between two or more bidders, with or without the knowledge of the Employer, that may impair the transparency, fairness and the progress of the procurement process or to establish bid prices at artificial, non-competitive levels;

iv) "Coercive practice": harming or threatening to harm, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

v) "Conflict of interest": any personal, financial, or business relationship between the bidder and any personnel of the procuring entity who are directly or indirectly related to the procurement or execution process of the contract, which can affect the decision of the procuring entity directly or indirectly.

vi) "Undue Advantage": improper use of information obtained by the bidder from the procuring entity with an intent to gain an unfair advantage in the procurement process or for personal gain. This also includes if the bidder (or his allied firm) provided services for the need assessment/ procurement planning of the tender process in which it is participating;

vii) "Obstructive practice": materially impede the Employer's investigation into allegations of one or more of the above mentioned prohibited practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation; or by making false statements to investigators and/or by threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or by impeding the Employer's rights of audit or access to information.

1.2 Obligations for Proactive Disclosures

i) POWERGRID as well as bidders, suppliers, contractors and consultants, are obliged under Code of Integrity for Public Procurement to suo-moto proactively declare any conflicts of interest (coming under the definition mentioned above – pre-existing or as and as soon as these arise at any stage) in any procurement process or execution of contract. Failure to do so would amount to violation of this code of integrity; and

ii) Any bidder must declare, whether asked or not in a bid document, any previous transgressions of such a code of integrity with any entity in any country during the last three years or of being debarred by any other procuring entity. Failure to do so would amount to violation of this code of integrity.

iii) To encourage voluntary disclosures, such declarations would not mean automatic disqualification for the bidder making such declarations. The declared conflict of interest may be evaluated and mitigation steps, if possible, may be taken by POWERGRID. Similarly voluntary reporting of previous transgressions of Code of Integrity elsewhere may be evaluated and barring cases of various grades of debarment, an alert watch may be kept on the bidder's actions in the tender and subsequent contract.

1.3 Punitive Provisions: Without prejudice to and in addition to the rights of POWERGRID to other penal provisions as per the Bidding Documents or Contract, if POWERGRID comes to a conclusion that a (prospective) bidder/supplier, directly or through an agent, has violated this code of integrity in competing for the contract or in executing a contract, POWERGRID may take appropriate measures including one or more of the following:

i) if the bid(s) is under consideration in any procurement
   a) Forfeiture or encashment of Bid Security
   b) calling off of any pre-contract negotiations, and;
   c) rejection and exclusion of the bidder from the procurement process

ii) if a contract has already been awarded
   a) Cancellation/termination of the contract in question;
   b) Forfeiture or encashment of Contract Performance Guarantee (CPG) of the contract in question;

iii) Provisions in addition to above:
   a) Removal from the list of registered suppliers and banning/debarment of the bidder/contractor from participation in future procurements in line with POWERGRID's policy for *"Black-Listing of Firms / Banning of Business*".
   b) In case of anti-competitive practices, information for further processing may be filed with the Competition Commission of India;
   c) Initiation of suitable disciplinary or criminal proceedings against any individual or staff found responsible.

1.4 In pursuance to this policy, the Employer will have the right to require that the provision be included in Bidding Documents and in contracts, requiring Bidders, suppliers, and contractors and their sub-contractors to permit the Employer to inspect their accounts and records and other documents relating to bid submission and contract performance under this project only and to have them audited by auditors appointed by the Employer.