

IRCON/CC/TD/3/34


Dtd. 06.05.2020

To

All Regional Offices, Project Heads in India
All EDs, CGMs, GMs in Corporate Office

Sub.: Issue of May 2020 version of "Tender Documents for Civil Works (Part-I) General Conditions of Contract.

- 1.0 February, 2020 version of "Tender Documents for Civil Works (Part-I) General Conditions of Contract (GCC) has been reviewed and it has been decided to delete clause no. 72.0 and 73.0 on claims and settlement of disputes for tender valuing up to Rs. 500 Crore (Rupees Five Hundred Crore).
- 2.0 May, 2020 version of "Tender Documents for Civil Works (Part-I) General Conditions of Contract Dated 06.05.2020" duly incorporating the amendment in page no. 61 is enclosed herewith as well as being uploaded on the intranet of IRCON. Therefore, Tender Inviting Officials must delete all clauses on claims and settlement of disputes given in clause no.72.0 and 73.0 for tenders valuing up to Rs. 500 Crore (Rupees Five Hundred Crore).
- 3.0 This shall be followed in all future tenders valuing up to Rs. 500 Crore (Rupees Five Hundred Crore) with immediate effect. This is being issued with approval of the Chairman and Managing Director.


(Basant Kumar)
Executive Director/CC

Encl.: As above

Copy to: CMD, DF, DW, DP and CVO - for kind information.

**TENDER DOCUMENTS
FOR
CIVIL WORKS
(PART-I)**

**GENERAL CONDITIONS
OF
CONTRACT**

FEBRUARY 2020

Dated 14.02.2020

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GENERAL CONDITIONS OF CONTRACT

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1.0 DEFINITIONS

In the Contract, as herein after defined, the following word expressions shall have the meanings hereby assigned to them, except where the context requires otherwise.

- a) **"Client or Principal Employer or Owner"** means the Department, Organisation, individual, firm, company, J.V. or Consortium who awarded the work to Ircon International Limited for execution of the project of which the works is a part, and shall include its heirs, executors, legal representatives etc.
- b) **"Employer"** means the IRCON INTERNATIONAL LIMITED, A Govt. of India Undertaking (IRCON in abbreviation) acting through its Chairman and Managing Director or any other authorised officer and shall include their legal successors in title and permitted assignees.
- c) **"Engineer or Engineer in Charge"** means the Project Head of IRCON INTERNATIONAL LTD.(Employer) or any other officer authorised by the Employer to act on his behalf and for the purpose of operating the contract.
- d) **"Engineer's Representative"** means any official nominated from time to time by the Engineer to act on his behalf.
- e) **"Contractor"** means the individual, firm, Company, Corporation, Joint Venture, or Consortium whether incorporated or not, who enters into the Contract with the Employer/Engineer, and shall include its heirs, executors, administrators, successors, legal representatives, as the case may be.
- f) **"Contractor's Representative"** shall mean the person responsible for execution of the contract who shall be so declared by the Contractor and who shall be authorised under a duly executed power of attorney to comply the instructions and to use, receive materials issued by the Engineer to the Contractor for works. He shall be capable of taking responsibility for proper execution of works.
- g) **"Sub-Contractor"** means the individual, firm, Company, Corporation, Joint Venture or Consortium, having direct Contract with the Contractor and to



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whom any part of the work has been sublet by the Contractor and shall include his heirs, his executors, administrators, successors, legal representatives, as the case may be.

- h) **"Other Contractors"** means the individual, firm, Company, Corporation, Joint Venture or Consortium employed by or having a Contract directly or indirectly with the Client/Employer/Engineer other than the Contractor.
- i) **"Tenderer or Bidder"** means the individual, firm, Company, Corporation, Joint Venture or Consortium submitting a bid/tender.
- j) **"Scheduled Bank"** means a bank included in the second schedule to the Reserve Bank of India Act, 1934, or modification thereto.
- k) **"Contract"** shall mean and include the Agreement or Letter of Acceptance, the accepted Bill of Quantities and Rates, the General Conditions of Contract, Special Conditions of Contract, Appendix to Tender, Form of Bid, Instructions to the Tenderers, Drawings, Specifications and other Tender Documents.
- l) **"Tender or Bid"** means the offer (Technical and/or Financial) made by individual, firm, Company, corporation, Joint Venture or Consortium for the execution of the works.
- m) **"Specifications"** means the specifications referred to in the Contract and any modification thereof or addition thereto, or as may from time to time be furnished or approved in writing by the Engineer.
- n) **"Drawings"** means the Drawings annexed to the Contract or referred in it and shall include any modifications of such Drawings and further Drawings as may be issued or approved by the Engineer.
- o) **"Bill of Quantities (BOQ)"** means list of items of work, their quantities and rates.
- p) **"Original Contract Value"** means the sum stated in the letter of Acceptance/Contract Agreement.



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- q) **"Contract Value"** means the original contract value subject to the adjustments in accordance with the provisions of the Contract.
- r) **"Temporary Works"** means all enabling works of every kind required for the execution of the works.
- s) **"Permanent Work(s)/ Work(s)"** means the works (other than temporary works) to be executed in accordance with the Contract or part/s thereof as the case may be and shall include extra or additional, altered or substituted items of work as required for performance of the Contract.
- t) **"Construction Plant"** means all machinery, appliances or things of whatsoever nature required for the execution, completion and maintenance of the works, but does not include material or other things intended to form or forming part of the permanent works.
- u) **"Site"** means the land and/or other places on, under, in or through which the works are to be carried out, and any other lands or places provided by the Client/Employer/Engineer for the purpose of the Contract.
- v) **"Material/s"** means all equipment, components, fittings and other materials including raw materials, which form part of the permanent works.
- w) **"Test"** means such tests as prescribed in the Contract or by the Engineer or Engineer's Representatives, whether performed by the Contractor or by the Engineer or his Representative, or any agency approved by the Engineer.
- x) **"Approval or Approved"** means approval in writing including subsequent written confirmation of previous verbal approval.
- y) **"Defect Liability Period"** means the specified period of defects liability from the date of completion of the work as certified by the Engineer.
- z) **"Letter of Acceptance"** means the letter from the Employer or the Engineer to the Contractor, conveying acceptance of the Tender.
- z-i) **"Month"** means the Gregorian calendar month.



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- ii) **"Day"** means the calendar day.
- iii) **"Time"** expressed by hours of the clock shall be according to the Indian Standard time.
- iv) **"Tender Date"** means closing date fixed for receipt of tenders as per notice inviting tender or extended by subsequent notification.
- v) **"Rupees"** (or ₹ or Rs. in abbreviation) shall mean Rupees in Indian currency.

2.0 HEADING AND MARGINAL NOTES

2.1 The top heading and marginal notes given in the tender or Contract documents are solely for the purpose of facilitating reference and shall not be deemed to be part thereof and shall not be taken into consideration in the interpretation or consideration thereof.

2.2 Notices, Consents, Approvals, Certificates and Determination.

Wherever in the Contract provision is made for giving or issue of any notice, consent, approval certificate or determination, it shall be in writing and the words notify, certify or determine shall be construed accordingly.

3.0 SINGULAR, PLURAL AND GENERAL

Words importing the singular only also include the plural and vice versa where the context requires. Similarly, words importing masculine gender also include the feminine gender.

4.0 COMMUNICATION AND LANGUAGE OF CONTRACT

4.1 Communication to be in writing

All notices, communications, references and complaints by either party to the Contract shall be in writing in English or Hindi. Communication from only authorised representative of the Contractor shall be entertained.

4.2 Language of Contract

The Contract document shall be drawn up in English.



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5.0 LAWS GOVERNING THE CONTRACT

The Contract shall be governed by the laws in force in India.

6.0 INSPECTION OF SITE AND SITE DATA:

- i. The Employer/Engineer shall make available with Tender Documents such data on hydrological and sub-surface conditions, if any, obtained from investigations undertaken relevant to the works. The tender shall be deemed to have been based on such data, if provided, but the Contractor shall be responsible for his own interpretation of all such data.
- ii. The Contractor shall be deemed to have inspected and examined the site and information available in connection therewith and to have satisfied himself fully before submitting his bid about the sub-surface conditions, the hydrological and climatic conditions, the extent and nature of work and materials necessary for the completion of the works, the means of access to the site and accommodation he may require. He shall also be deemed to have obtained all necessary information regarding risks, contingencies and all other circumstances which may influence or affect the contract.

7.0 CONTRACTOR'S UNDERSTANDING

The Contractor shall be deemed to have satisfied himself, before tendering, as to the correctness and sufficiency of his tender for the works and of the rates and prices stated in the Bill of Quantities, all of which shall except in so far as it is otherwise provided in the Contract, cover all his obligations under the Contract and all matters and things necessary for the proper execution, completion and maintenance of works.

8.0 PERFORMANCE SECURITY & RETENTION MONEY

8.1 Performance Security:

- i) The successful bidder shall submit a Performance Guarantee (P.G.) in the form of irrevocable bank guarantee on the Performa annexed as Annexure-II from any Scheduled Bank for an amount of 5%



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(Five percent) of the contract value. This P.G. shall be initially valid upto 60 days beyond the stipulated date of completion. In case, the time for completion of work get extended, the Contractor shall get the validity of P.G. extended to cover such extended time for completion of work plus 60 days. The value of P.G. to be submitted by the contractor will not change for variation upto 25% (either increase or decrease). In case during the course of execution, value of contract increases by more than 25% of the original contract value, an additional Performance Guarantee amounting to 5% (Five percent) for the excess value over the original contract value should be deposited by the contractor. On the other hand, if the value of the contract is reduced by more than 25% of the original contract value, original Performance Bank Guarantee (PBG) shall be returned to the Contractor as per his request after submission of PBG amounting to 5% of the reduced contract value.

Alternatively, the performance security can be furnished by the Contractor in the form of Fixed Deposit Receipt (FDR) from a scheduled bank endorsed in favour of the Employer.

- ii) The successful bidder shall have to submit a Performance Guarantee (PG) within 21 (twenty one) days from the date of issue of Letter Of Acceptance (LOA), but before signing of the contract agreement. Extension of time for submission of PG beyond 21 (twenty one) days and up to 60 days from the date of issue of LOA may be given by the Authority who is competent to sign the contract agreement. However, a penal interest of 12% per annum shall be charged for the delay beyond 21 (twenty one) days, i.e. from 22nd day after the date of issue of LOA. Further, if the 60th day happens to be a declared holiday in the concerned office, submission of PG can be accepted on the next working day.

In all other cases, if the Contractor fails to submit the requisite PG even after 60 days from the date of issue of LOA, the contract is liable to be terminated. In case a contract is terminated Employer shall be entitled to forfeit Earnest Money Deposit and other dues payable



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against that contract. In case a tenderer has not submitted Earnest Money Deposit on the strength of their registration as a Startup recognized by Department of Industrial Policy and Promotion (DIPP) under Ministry of Commerce and Industry, DIPP shall be informed to this effect.

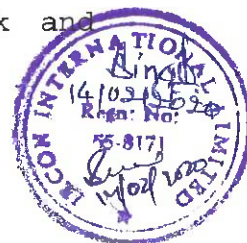
- iii) No payment under the contract shall be made to the Contractor before receipt of performance security.

8.2 Retention Money:

- i) Retention money for all contracts shall be recovered from on account/ final bills of the Contractor @ 10% of gross value of each bill after adjusting Earnest Money Deposit (EMD) amount till the amount so recovered including EMD amount adds upto 5% of the contract value of the work. The entire Retention Money may be deposited in the form of irrevocable Bank Guarantee issued by any Scheduled Bank also in the contract valuing more than ₹ 10 Crore after signing of the contract agreement, but before payment of 1st on account bill. Provided that validity of the B.G. shall be extended from time to time depending upon extension of the contract.
- ii) No interest shall be payable to the Contractor on the amount retained in cash towards retention money.

8.3 Release of Performance Security:

- (a) Performance Security shall be returned to the Contractor, subject to the issue of Completion Certificate by the Engineer in accordance with clause 65 of these conditions. This shall not relieve the Contractor from his obligations and liabilities, to make good any failures, defects, imperfections, shrinkages, or faults that may be detected during the defect liability period specified in the Contract.
- (b) Wherever the contract is rescinded, the retention money shall be forfeited and the Performance Security shall be encashed and the balance work shall be got done independently without risk and



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cost of the failed contractor. The failed contractor shall be debarred from participating in the tender for executing the balance work.

If the failed contractor is a JV or a partnership firm, then every member/partner of such a firm shall be debarred from participating in the tender for the balance work either in his/her individual capacity or as a partner of any other J.V/Partnership firm.

- (c) The Engineer shall not make a claim under the Performance Guarantee (P.G.) except for amounts to which Ircon International Limited is entitled under the contract (notwithstanding and/or without prejudice to any other provisions in the contract agreement) in the event of:-

1. Failure by the contractor to extend the validity of the P.G. as described herein above, in which event the Engineer may claim the full amount of the P.G.
2. Failure by the contractor to pay Ircon International Limited any amount due, either as agreed by the contractor or determined under any of the Clauses/Conditions of the agreement, within 30 days of the service of notice to this effect by Engineer.
3. The contract being determined or rescinded under provision of the General Conditions of Contract (GCC) the P.G. shall be forfeited in full and shall be absolutely at the disposal of the Engineer.

8.4 Release of Retention Money:

- i) The Retention Money shall be released to the Contractor after preparation of final bill and acceptance of the same by the Contractor and after the expiry of the defect liability period specified in the Contract, reckoned from the date on which the Engineer shall have issued the Certificate of Completion comprising the whole of works. The retention money shall be released after all failures, defects, imperfections, shrinkages and faults have been rectified by the Contractor to the satisfaction of the Engineer and Defect Liability certificate is issued by the Engineer.



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ii) Release of 50% Retention Money Against Bank Guarantee/FDR:

a) For contracts valuing less than ₹30 Crores:

If requested by the contractor, 50% of the Retention Money may be released on satisfactory completion of works against submission of Bank Guarantee for an equivalent amount by the Contractor in the performa annexed as Annexure-III from any Scheduled Bank in India. This Bank Guarantee shall be kept valid till the period of three months beyond the expiry of Defect Liability Period. Fixed Deposit Receipt (FDR) from a scheduled bank endorsed in favour of the Employer can be submitted by the Contractor in lieu of the Bank Guarantee for release of 50% Retention Money.

b) For contracts valuing ₹30 Crores or more:

If requested by the contractor, 50% of the Retention Money may be released at a stage when full amount of retention money (i.e. 5% of the contract value) has been recovered at the stage when not less than 50% financial progress has been achieved against submission of Bank Guarantee for an equivalent amount by the Contractor in the performa annexed as Annexure-III from any Scheduled Bank in India. This Bank Guarantee shall be kept valid till the period of three months beyond the expiry of Defect Liability Period.

iii) Where different defect liability periods are applicable to different parts of the works, the expression - "expiration of the defect liability period" shall for the purpose of this clause be deemed to mean the expiry of last of such periods.

9.0 INSURANCE

9.1 Depending on the nature of work, Contractor's All Risk (CAR) shall be obtained by Employer/Engineer at his own cost as per the requirement. Employer/Engineer may take necessary add on covers and voluntary excess specified elsewhere in the contract, which shall be binding on the Contractor. At the time of taking policy, possible time over



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run, if any, may be taken into account in deciding the period/validity of the policy. The above insurance shall cover the risks normally covered under the CAR policy. Any item not covered under the above policy shall be the responsibility of the Contractor.

9.2 Contractor's claims, if any, shall be entertained within the scope of Insurance policy taken by Employer/Engineer. This will be subject to:-

- i) Risk covered and voluntary excess selected by Employer/Engineer.
- ii) Claims on realisation shall be passed to the Contractor according to value of the claims accepted by the insurance company for his damaged portion of work after deducting 15% towards services rendered by Employer/Engineer for processing the claim(s). The amount so disbursed to the Contractor(s) shall be limited to the amount calculated on the basis of his accepted rates in the contract with the Employer/Engineer.

9.3 Before commencing of works, it shall be obligatory for the Contractor to obtain, at his own cost, insurance cover in the joint name of the Contractor and Employer from reputed companies under the following requirements:

- a) Liability for death of or injury to any person or loss of or damage to any property (other than the work) arising out of the performance of the Contract.
- b) Construction Plant, Machinery and Equipment brought to site by the Contractor.
- c) Any other insurance cover as may be required by the law of the land.

The Contractor shall provide evidence to the Employer/Engineer before commencement of work at site that the insurances required under the contract have been effected and shall within 60 days of the commencement date, provide the insurance policies to the Employer/Engineer. The Contractor shall, whenever, called upon, produce to the Engineer or his representative the evidence of payment of



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premiums paid by him to ensure that the policies indeed continue to be in force.

The Contractor shall also obtain any additional insurance cover as per the requirements of the Contract.

The Employer/Engineer shall not be liable for or in respect of any damages or compensation payable to any workman or other person in the employment of the Contractor or his sub-contractor or petty contractor. The Contractor shall indemnify and keep indemnified the Employer/Engineer against all such damages and compensation for which the Contractor is liable.

The Policies of the Contractor shall remain in force through out the period of execution of the works and till the expiry of the defect liability period except for any specific insurance covers necessary for shorter period.

If the Contractor fails to effect or keep in force or provide adequate cover as acceptable to the Engineer in the insurance policies mentioned above, then in such cases, the Engineer may effect and keep in force any such insurance or further insurance on behalf of the Contractor. The recovery shall be made at the rate of 1.5 times the premium/premiums paid by the Engineer in this regard from the payment due to the Contractor or from the Contractor's Performance Security. However, the Contractor shall not be absolved from his responsibility and/or liability in this regard.

10.0 COMMUNICATION BETWEEN EMPLOYER/ENGINEER AND CONTRACTOR

10.1 Instructions in writing

Instructions given by the Engineer shall be in writing, provided that if for any reason the Engineer considers it necessary to give any instructions orally, the Contractor shall comply with such instructions. Confirmation in writing of such oral instruction given by the Engineer, whether before or after carrying out of the instructions, shall be deemed to be instructions within the meaning of this sub-clause.



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The Contractor shall also be bound to carry out any instructions issued by Client as confirmed in writing by the Engineer.

- 10.2 All certificates, notices, written orders or letters, to be given by the Employer or the Engineer to the Contractor, shall be deemed to have been served, if the same are delivered to the Contractor or his authorised representative, or delivered or left at or posted by speed post / registered post to the given address of the Contractor or Contractor's registered office or principal place of business and essentially delivering the same by e-mail duly attached with scanned copy of such certificates, notices, written orders or letters and Proof of Dispatch (POD). Such documents shall be deemed to have been received on the day they are left or delivered, or in the case of postal transmission, on the day they would ordinarily have reached but not exceeding 7 days from the date of posting inclusive of day of posting, in any case.

The Contractor shall furnish his postal address/registered office address and e-mail address for communication.

10.3 Notices or letters to Employer and Engineer

All notices or letters to be given by the Contractor to the Employer or to the Engineer, under the terms of the contract, shall be served by sending by Speed/Registered post or by delivering the same, to the respective nominated addresses and essentially delivering the same by e-mail to the Engineer duly attached with scanned copy of such notice(s) or letters and Proof of Dispatch (POD) with a copy to Employer on nominated e-mail address.

10.4 Change of Address

Either party may change the nominated address by prior written notice to the other party. However, either party shall not change their email address during currency of the contract without obtaining prior mutual consent for doing so.



10.5 Change in constitution of Firm

In case of any change in the constitution of Contractor's firm, the same shall forthwith be notified by the Contractor to the Engineer and the Employer.

11.0 DUTIES OF ENGINEER AND ENGINEER'S REPRESENTATIVE

11.1 Duties and Authority of Engineer

The Engineer shall carryout the duties specified or implied in the Contract including issue of instructions, decisions, certificates and orders, as are specified in the contract, or necessary for the observance/administration of the Contract and expeditious and timely completion of the work.

11.2 Duties and authority of Engineer's Representative

The Engineer's Representative shall be responsible to the Engineer. His duties are to supervise the work and to test and examine any materials to be used or workmanship employed in connection with the works. He can issue day to day instructions to the Contractor in Site Order Book, which should be noted and complied by the Contractor. He shall have no authority to relieve the Contractor of any of his duties or obligations under the Contract, nor except as expressly provided hereunder or elsewhere in the Contract, to order any work involving delay or any extra payment by the Employer, nor to make any variation of or in the works. He is authorised to measure the works for the purpose of payment.

12.0 GENERAL OBLIGATIONS OF THE CONTRACTOR

12.1 General Responsibility of the Contractor

The Contractor shall comply with the provisions of the Contract with due care and diligence design (to the extent provided for in the Contract), execute, complete and maintain the works and remedy the defects in accordance with the provisions of the Contract. The Contractor shall provide all superintendence, labour, materials, plant, & Equipment and all other things, whether of a temporary or permanent nature, required in and for such design, execution, completion and maintenance.



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of works and rectification of any defects, as directed by the Engineer or his Representative.

12.2 Site Operations and Methods of Construction:

The Contractor shall take full responsibility for the adequacy, stability and safety of all site operations and method of construction. Provided that the Contractor shall not be responsible for the design and specifications of Permanent works or for the design or specifications of any temporary works provided by the Engineer. Where the Contract expressly provides that part of the Permanent Works shall be designed by the Contractor, he shall be fully responsible for that part of such works, notwithstanding any approval by the Engineer.

12.3 Appraisal of Errors / Omissions in the Drawings:

The Contractor shall promptly inform in writing to the Engineer of any error, omission, fault and other defects, in the design, drawings or specifications for the works which are noticed while reviewing the Contract documents or in the process of execution of the works.

12.4 Compliance with Regulations and Bye-laws:

The Contractor shall comply with the statutory provisions relating to the works, regulations and by-laws of any local authority and undertaking, including those controlling the utilities such as water supply, sewerage, telephones, power supply, etc., in whose jurisdiction the work is to be executed. The Contractor shall be bound to give all notices required by statute, regulations or bye-laws, as aforesaid. It shall be the responsibility of the Contractor to arrange all necessary clearances and approvals from the concerned authorities or undertakings before the work is taken up. However, assistance, if any, may be provided by Employer/Engineer/Client.

12.5 Contract Agreement:

The Contractor shall enter into and execute the Contract Agreement in the form of agreement (Annexure-I) within 28 days after the date of issue of Letter of Acceptance. The stamp papers of the



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requisite value as per the prevailing laws shall be provided by the Contractor at his own cost. Original agreement shall be retained by the Employer/Engineer and a certified copy shall be made available to the Contractor.

12.6 Contractor's Representative

When the Contractor is not in a position to be present, he shall keep responsible representative at site or work place during all working hours, who shall, on receiving a reasonable notice, present himself to the Engineer, Engineer's Representative or their Assistants. The instructions and orders given to the Contractor's representative shall be deemed to have the same force as if they have been given to the Contractor. The Contractor should furnish the necessary Power of Attorney in favour of his representative for the purpose of this clause. Failure on part of the Contractor to comply with this provision shall constitute a breach of Contract and may lead to action under clause 50.0.

13.0 SUBCONTRACTING

13.1 Subcontracting

- i. The Contractor shall not subcontract the whole of the works. Except where otherwise provided in the Contract, the Contractor shall not subcontract any part of the works without the prior consent of the Engineer in writing. Any such consent shall not relieve the Contractor from any of his liability or obligation under the Contract and he shall be responsible for the acts, defaults and neglects of any subcontractor, his representative, servants or workmen as fully as if they were the acts, defaults or neglects of the Contractor.
- ii. Provided that the Contractor shall not be required to obtain such consent for
 - a) The provision of labour, or
 - b) The purchase of materials which are in accordance with the specifications/standards specified in the Contract, or
 - c) The subcontracting of any part of the works for which the subcontractor is named in the contract.



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- d) The purchase of Plants and Equipment for execution of the works.
- e) The hiring of Plants and Equipment for execution of the works.

Any breach of the above conditions shall entitle the Employer/Engineer to rescind the contract.

13.2 Provided always that execution of specific works by petty contractors, or on piecework basis, under the personal supervision of the Contractor, shall not be deemed to be subcontracting under this clause.

14.0 PROVISIONS OF EFFICIENT AND COMPETENT STAFF

The Contractor shall employ and keep on the works at all times efficient and competent staff to give necessary directives to his workers to see that they execute works in a safe and proper manner. The Contractor shall employ only such supervisors and workmen as are capable, careful, and skilled. The Engineer shall be at liberty to object to and order the Contractor to remove forthwith from the works, any person employed by the Contractor in or about the execution of works or maintenance of works, who, in the opinion of the Engineer, misconducts himself or is incompetent or negligent in the proper performance of his duties or whose employment is otherwise considered by the Engineer to be undesirable and such person shall not be employed again in the works without the written permission of the Engineer. Any person so removed from the works shall be replaced as soon as possible by a competent substitute.

15.0 PROGRAMME OF WORK

The Contractor shall submit the programme for completion of work to the Engineer for his approval within 15 days from the date of receipt of letter of acceptance. Unless otherwise directed, the programme shall be in the form of Bar-Chart showing proposed execution of quantities of principal items of work. The programme shall be related to the capability of equipment proposed to be deployed and site conditions. The Contractor shall also provide in writing methodology for execution of major items of work as desired by the Engineer. The submission and approval of such programme shall not relieve the Contractor of any of his duties or responsibilities.



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or obligations under the contract. The Engineer shall have full power and authority during the progress of work, to issue such instructions as may be necessary for the proper and adequate execution of the work.

16.0 COMMENCEMENT OF WORK

The Contractor shall commence the works within the time limit as specified in the Letter of Acceptance.

17.0 ACCESS TO SITE OF WORK

17.1 Access to Engineer

The Engineer or the Engineer's Representative, shall at all times have access to the works and to all workshops and places, where work is being performed and from where materials, manufactured articles or machinery are being obtained for the works, and the Contractor shall afford every facility and every assistance in obtaining the right to such access.

17.2 Access Road

The Contractor shall provide necessary access roads to the site of work, from the nearest public thoroughfare/right of way, at his own cost, unless otherwise provided for in the contract.

18.0 SETTING OUT

The Contractor shall be responsible for the true and proper setting out of the works using his own survey instruments, appliances and labour. If at any time during the progress of works, any error appears or arises in any part of the work, the Contractor on being required to do so by the Engineer, shall at once rectify such error, to the satisfaction of the Engineer. The Contractor shall also provide all necessary assistance in the form of labour and materials to Engineer or his representatives for checking the set out with his own instruments. The checking of any setting out, or of any line or level by the Engineer's representative shall not in any way relieve the Contractor of his responsibility for the correctness thereof. The Contractor shall carefully protect and preserve all bench marks, reference pillars, pegs, and other things used in setting out the works.



19.0 TEMPORARY WORKS

- i) All temporary works necessary for the proper execution of the works shall be provided and maintained by the Contractor at his own cost. All detailed working drawings, design, design calculations and fabrication drawings for important temporary works as decided by the Engineer, shall be prepared by the Contractor at his own cost and forwarded to the Engineer at least 30 days in advance of actual constructional requirements for his approval. Such approval shall not, however, relieve the Contractor of any of his responsibility in connection with the temporary works.
- ii) When the temporary works are no longer required, the Contractor shall remove the same at his own cost. In the event of failure on the part of the Contractor to remove the temporary works, the Engineer will cause them to be removed and cost incurred for removal, supervision, and other incidental charges shall be recovered from the Contractor.

20.0 SPECIFICATIONS AND DRAWINGS

20.1 The Contractor shall keep at site in good condition one copy of latest approved Specifications and Drawings and also such other Contract documents as may be necessary and make them available to the Client/Employer/Engineer or his Representative at all reasonable times. Any specification & drawing shall not be used on any other work or communicated to a third party by the Contractor.

20.2 Adherence to Specifications and Drawings

The work shall be executed in perfect conformity with the specifications and drawings of the Contract issued to the Contractor by the Engineer from time to time. If the Contractor does any work or part of work in a manner contrary to the specifications or drawings without the approval of the Engineer, he shall bear all the costs arising there from including dismantling and reconstruction strictly in accordance with the specifications and drawings and shall be responsible for all the losses/delays to the Employer/Engineer. The term drawings in this sub-clause also includes the drawings prepared by the Contractor and approved by the Engineer.



20.3 Meaning & Intent of Specifications and Drawings

If any ambiguity arises as to the meaning and intent of any portion of the specifications and drawings or as to execution or quality of any work or material or as to the measurement of the works, the decision of the Engineer thereon shall be final and binding.

21.0 INDEMNITY BY THE CONTRACTOR

21.1 Indemnity against all actions of Contractor

The Contractor shall hold and save harmless and indemnify the Client/Employer/Engineer and their employees, from all actions, suits, proceedings, loss, costs, damages, charges, claims and demands of every nature and description brought against or recovered from the Client/Employer/Engineer and their employees by reason of any act or omission of the Contractor and/or his representative and/or his Employees and/or his sub-contractors in the execution of the works or in the guarding of the same. All the sums payable by Client/Employer/Engineer by way of compensation under any of these conditions, shall be recovered from the dues of the Contractor, without reference to the actual loss or damage sustained, and whether or not any damage shall have been sustained.

21.2 Indemnity against all Claims of Patent rights and Royalties

The Contractor shall hold and save harmless and indemnify the Client/Employer/Engineer, his officers and Employees from and against all claims and proceedings for or on account of infringement by the Contractor of copyright, any patent rights, design, trademark or name, secret process, patented or unpatented invention, articles or appliances manufactured or used for or in connection with the works and from and against all claims, proceedings, costs, damages, charges, and expenses whatsoever in respect thereof or in relation thereto. The Contractor shall pay all royalties, taxes, rent and other payments or compensation, if any, for getting the materials required for the works and due fulfillment of the contract and indemnify Client/Employer/Engineer against any claims in this regard.



22.0 DAMAGE TO LIFE AND PROPERTY:

The Contractor shall be responsible for all risks to works, nearby existing structures and life of his supervisors and workmen as also those of Employer/Client or any trespassers from whatever cause in connection with the works until these are taken over by Client/Employer/Engineer. The Contractor shall make good at his own expenses all loss or damages to life and property.

23.0 SAFETY OF PUBLIC AND PUBLIC UTILITIES

- i) Existing road or water courses or any other utility shall not be blocked, cut through, altered, diverted or obstructed in any way by the Contractor, except with the permission of the Engineer. All compensation claimed by any Department/Organisation for any unauthorized closure, cutting through, alteration, diversion or obstruction to such roads or water courses by the Contractor or his staff shall be recovered from any moneys due to the Contractor.
- ii) During progress of work in any street or thoroughfare, the Contractor shall make adequate provision for the passage of traffic, for securing safe access to all premises approached from such street or thoroughfare and for any drainage. Water supply, sewer lines, Electrical and Telecommunication cables/wires etc. which may be interrupted by reason of execution of works shall be protected/ diverted and maintained by the Contractor at his own cost. Barriers, lights and other safeguards as prescribed by the Engineer for the regulation of traffic including watchmen necessary to prevent accidents shall be provided by the Contractor at his own cost.
- iii) The Contractor shall be responsible for taking all precautions to ensure safety of the public utilities and public in the vicinity of works and shall post such watchmen at his own cost as may, in the opinion of the Engineer, be necessary to comply with the regulations applying to the work and to ensure safety.
- iv) Should the Contractor fail to implement the provisions as required in the above sub-clauses, the Engineer may provide necessary arrangements and the



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cost of the same shall be recovered from the Contractor's payments/dues.

24.0 OTHER SAFETY PROVISIONS

24.1 Safety of Labour and others

The Contractor shall, at his own expense, arrange for the safety provisions as required by any law in force, in respect of the labour employed directly or indirectly for performance of the works, and shall provide all facilities in connection therewith.

24.2 Safety of works

The Contractor shall provide and maintain at his own cost, all lights, guards, signage, signalmen, fencing and watching arrangements when and where necessary, or as required by the Engineer for the protection of the works or for safety and convenience of those employed on works or of the public.

24.3 Mere observance of these precautions shall not absolve the Contractor of his liability in case of loss or damage to property, or injury to or death of any employee/labour of Contractor, Client or Employer/Engineer or any member of the public.

24.4 Recovery of the cost from the Contractor

Should the Contractor fail to implement the provisions as required in the preceding sub-clauses 24.1 & 24.2, the Engineer may provide necessary arrangements and the cost of the same shall be recovered from the Contractor's payments/dues.

25.0 PROTECTION OF ENVIRONMENT

During execution of works, the Contractor and his sub-contractors, petty contractors shall abide at all times by all existing enactments on environmental protections and rules made thereunder, regulations, notifications and bye-laws of the State or Central Government or local authorities and any other law, bye-law, regulation that may be issued in this respect in future by the State or Central Government or local authority. Salient features of some of the laws that are applicable are given below:-



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- i) The Water (Prevention and Control of Pollution) Act, 1974.
This provides for the prevention and control of water pollution and maintaining and restoring of wholesomeness of water. "Pollution" means such contamination of water or such alteration of the physical, chemical or biological properties of water or such discharge of any sewage or trade effluent or of any other liquid, gaseous or solid substance into water (whether directly or indirectly) as may, or is likely to, create a nuisance or render such water harmful or injurious to public health or safety, or to domestic, commercial, industrial, agricultural or other legitimate uses, or to the life and health of animals or plants or of aquatic organisms.
- ii) The Air (Prevention and Control of Pollution) Act, 1981.
This provides for prevention, control and abatement of air pollution. "Air Pollution" means the presence in the atmosphere of any "air pollutant", which means any solid, liquid or gaseous substance (including noise) present in the atmosphere in such concentration as may be or tend to be injurious to human beings or other living creatures or plants or property or environment.
- iii) The Environment (Protection) Act, 1986.
This provides for the protection and improvement of environment and for matters connected therewith, and the prevention of hazards to human beings, other living creatures, plants and property. Environment includes water, air and land and the inter-relationship which exists among and between water, air and land, other living creatures, plants, micro-organism and property.
- iv) The Public Liability Insurance Act, 1991.
This provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling hazardous substances and for matters connected herewith or incidental thereto. Hazardous substance means any substance or preparation which is defined as



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hazardous substance under the Environment (Protection) Act, 1986, and exceeding such quantity as may be specified by notification by the Central Government.

26.0 CARE OF WORKS

From the commencement of the work until completion, acceptance and final take over of the works by the Engineer, the Contractor shall take full responsibility for the care of all works including temporary works. In case any damage, loss or injury happens to the work or to any temporary works from any cause whatsoever, the Contractor shall at his own cost repair and make good the same so that on completion and at the time of final take over, the work shall be in good condition and in conformity in every respect with the requirements of the contract and the Engineer's instructions.

27.0 USE OF EXPLOSIVES

Explosives shall not be used on the works or site by the Contractor without the written permission of the Engineer and only in the manner and to the extent such permission is given. When explosives are required for works they shall be stored in a special magazine, to be provided by the Contractor at his own cost, in accordance with the provisions of law on Explosives. The Contractor shall take all precautions in using the explosives and prevent damage to nearby properties and utilities. The Contractor shall also obtain necessary licence for the storage and the use of explosives from the concerned authorities. All operations in which or for which explosives are used shall be at the risk and responsibility of the Contractor and the Contractor shall indemnify the Client/Employer/Engineer and their employees in respect thereof.

28.0 OCCUPATION AND USE OF LAND

No land belonging to or in the possession of the Client/Employer/Engineer shall be occupied by the Contractor without written permission of the Engineer. The Contractor shall not use, or allow the site to be used for any purpose other than that of executing the works.



29.0 EXCAVATED MATERIALS

The Contractor shall not use, sell or otherwise dispose off, or remove, except for the purpose of this Contract sand, clay, ballast, earth, rock or any other substance or materials, which may be obtained from any excavation made. All such items shall be the property of the Client. The Contractor may be permitted by the Engineer to use the same for the purpose of works on mutually agreed payment terms.

30.0 RELICS AND TREASURES

All gold, silver, coins, oil and other minerals of any description, and precious stones of all kinds, treasures, antiques, fossils and other similar things, which shall be found in or at site, shall be the property of the Client and the Contractor shall duly preserve the same to the satisfaction of the Engineer, and from time to time deliver the same to such person or persons, as the Client/Engineer may appoint to receive the same.

31.0 CO-OPERATION WITH OTHER CONTRACTORS

The Contractor shall in accordance with the requirements of the Engineer, cooperate with and afford all reasonable opportunities for carrying out the work by other Contractors engaged by the Client/Employer/Engineer or any other Authority.

32.0 WORK DURING NIGHT

Unless specifically provided elsewhere in the Contract, the Contractor shall not carry out any work between sunset and sunrise without the prior permission of the Engineer. In case of any grave emergency or in order to avoid risk to property and life or to prevent damage to utilities or to restore them, work may be done at night also without the prior permission of the Engineer, but intimation to this effect should be sent to him immediately. No increase in rates or extra payment shall be admissible for the night work. The Contractor shall make adequate lighting and safety arrangements for night working. He shall also be responsible for any claim on account of any injury to or loss of life, of any one, arising out of inadequate lighting,



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safety arrangements or due to any other failure of the Contractor.

33.0 SHEDS, STORES, YARDS

The Contractor shall at his own expense provide and maintain sheds, store-houses and yards at such locations and in such numbers as in the opinion of the Engineer are necessary for carrying out the works. The Engineer and the Engineer's representatives shall have free access to the said sheds, storehouses and yards at any time for the purpose of inspecting the stock of materials and plant so kept in hand. Any materials or plant which the Engineer may object to shall not be brought upon or used in the works and shall forthwith be removed from the sheds, storehouses or yards by the Contractor.

34.0 ENGINEER'S MATERIALS

34.1 Materials to be supplied by the Engineer

After the acceptance of tender, the Contractor shall make request in writing to the Engineer for the materials to be supplied by the Engineer, if any, in accordance with the approved programme for execution of works.

34.2 Cost to be borne by Contractor

The materials shall be issued to the Contractor at the Engineer's depots or near the project site. The Contractor shall bear the cost of loading, transporting to site, unloading, storing safely under cover, as required.

34.3 Return of surplus materials

All surplus materials issued to the Contractor by the Engineer for use, incorporation or fixing in the works (including preparatory works, if any) shall, on completion of or before closure of works, be returned by the Contractor at his expense. However, the materials considered unserviceable by the Engineer shall not be taken back.



34.4 Credit for returned materials

Surplus materials returned by the Contractor in acceptable condition to the Engineer shall be credited to the Contractor by the Engineer.

34.5 Accountal of the materials issued by the Engineer including recovery etc. shall be in accordance with the Special Conditions of Contract.

35.0 TOOLS, PLANT AND EQUIPMENT

Except for any specific item mentioned in the contract, the Contractor shall have to make his own arrangements, at his own cost, Plant, Machinery and Equipment required for execution and completion of all works to the entire satisfaction of the Engineer. This shall also include all other associated equipment, tools/tackles, spare parts, POL, consumables, stores, manpower as required for the execution of works.

36.0 PLANT AND MATERIALS OF THE CONTRACTOR

36.1 Contractor's plant/materials at site to be exclusive to the work

All constructional plant and materials brought on the site by the Contractor be deemed to be exclusively intended for the execution of the work or part of the work and the Contractor shall not remove the same without the permission of the Engineer till completion of work or part of work.

36.2 Removal of constructional plant/materials from site

Upon completion of the works, the Contractor shall remove from the site all the said constructional plant remaining thereon and unused materials belonging to the Contractor.

36.3 Loss or damage to constructional plant/materials

The Employer/Engineer shall not at any time be liable for the loss of or damage to any of the said constructional plant, temporary works or materials.



36.4 Assistance to Contractor for re-export of plant

In respect of any constructional plant which the Contractor shall have imported for the purposes of the works, the Employer/Engineer may assist the Contractor, where required in procuring any necessary government consent for re-export of such constructional plant by the Contractor after the completion of the works.

36.5 Assistance to Contractor for customs clearance

The Employer/Engineer may assist the Contractor, where required, in obtaining clearance through the customs of constructional plant, material and other things required for the works. This shall not dilute in any way the Contractors' obligations and responsibilities under the contract.

37.0 CONTRACTOR TO KEEP SITE CLEAR

During the progress of works, the Contractor shall keep the site reasonably clean and free from obstructions and shall store neatly construction plant and materials.

38.0 HEALTH AND SANITARY ARRANGEMENTS FOR WORKERS

38.1 No quarters shall be provided by the Employer/Engineer for the accommodation of Contractor or any of his staff employed on works.

38.2 Provision of labour Camp

The Contractor, shall, at his own expense, make adequate arrangements for the housing, supply of drinking water, electricity, canteen and provision of latrines and urinals, for his staff and workmen employed on the work, directly or through petty Contractors or sub-Contractors and for temporary creche (Bal-mandir) where 50 or more women are employed at a time. All camp sites shall be maintained in clean and good sanitary conditions, by the Contractor, at his own cost.

38.3 Compliance with Rules for employment of labour

The Contractor shall comply with all laws, bye-laws, rules and regulations in force, pertaining to employment of local or imported labour, and shall



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take all necessary precautions to ensure and preserve the health and safety of all staff/workmen, employed on the works directly or through petty Contractors or sub-Contractors.

38.4 Medical facilities at site

The Contractor shall, at his own cost, provide first aid and medical facilities at site as may be prescribed by the Engineer.

38.5 Use of Intoxicants

No sale of alcoholic drinks and/or intoxicating drinks or drugs shall be permitted by the Contractor at or near the site. The Contractor shall also ensure that no labour or employee is permitted to work at the site in an intoxicated state or under the influence of any drugs or drinks.

39.0 ENGAGEMENT OF LABOUR

The Contractor shall make his own arrangements for the engagement of all labour, except as provided otherwise in the contract.

The Contractor shall not employ any labour below the age prescribed in any labour legislation, directly or through petty Contractors or sub-Contractors, for execution of the work.

40.0 WAGES OF LABOUR

40.1 Wages under relevant laws.

In dealing with labour and employees, the Contractor and his subcontractors (including piece rate and petty Contractors) shall comply fully with all laws and statutory regulations such as

- i) Workmen's Compensation Act, 1923
- ii) Payment of Gratuity Act, 1972
- iii) Employees Provident Funds and Miscellaneous Provisions Act, 1952
- iv) Maternity Benefits Act, 1951
- v) Contract Labour (Regulations and Abolition) Act, 1970
- vi) Minimum Wages Act 1948
- vii) Payment of Wages Act 1936
- viii) Equal Remuneration Act 1979
- ix) Payment of Bonus Act 1965



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- x) Industrial Dispute Act 1947
- xi) Industrial Employment (Standing Orders) Act 1946
- xii) Trade Union Act 1926
- xiii) Child Labour (Prohibition and Regulation) Act 1986
- xiv) Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act 1979
- xv) The Buildings and Other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996 and Cess Act of 1996.
- xvi) The Factories Act 1948.

and other laws or Regulations framed by competent legislative authorities from time to time as may be applicable. In accordance with the various Acts and Regulations with all upto date amendments, the Contractor shall ensure that he and his subcontractors (including petty and piece rate Contractors) observe strictly inter alia the following:

- a. Wages paid are not less than those prescribed.
- b. Wages and other dues are paid regularly and in time.
- c. Liens/licenses are obtained as required under any of the acts or regulations.
- d. Maintain prescribed records, submit necessary statements to authorities concerned and display required notices.
- e. Take prompt action on any instructions / directions from the authorities under various labour laws.

40.2 Claims on account of violation of labour laws

If any moneys shall as a result of any instructions, directions or decisions from the authorities or claim or application made under any of the labour laws or regulations be directed to be paid by the Engineer because of any failure of the Contractor, such moneys shall be deemed to be moneys payable to the Engineer by the Contractor and on failure of the Contractor to repay the Engineer any moneys paid or to be paid as aforesaid within seven days after the same shall have been demanded, the Engineer shall be entitled to recover the amount from any moneys due or becoming due to the Contractor under this or any other contract with the Employer. The Engineer shall not be bound to contest any such claim or demand



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unless the Contractor makes a written request for it, and Contractor's reasons for contesting are considered reasonable by the Engineer and the Contractor deposits the full cost that the Engineer may have to incur in contesting the case.

41.0 REPORTING OF ACCIDENTS INVOLVING LABOUR

The Contractor shall be responsible for safety of all employees/labour employed by him on works, directly or through petty Contractors or sub-Contractors and shall report accidents, occurring on works to the Engineer or the Engineer's representative, and shall make every arrangement to render all possible assistance and to provide prompt and proper medical attention. In case of fatal accident, it will be Contractor's responsibility to report accident to police keeping the Engineer advised of the same. The compensation for affected workers or their relatives shall be paid by the Contractor in such cases with utmost expedition in accordance with the Workmen's Compensation Act.

42.0 SUPPLY OF WATER AND ELECTRIC POWER

Unless otherwise provided elsewhere in the Contract, the Contractor shall be responsible for making arrangements at his own cost to obtain supply of water and/or electrical power, necessary for execution of the works and during defect liability period. In the event the Engineer is in a position to supply water or electrical power, or both, required for works, such supply shall be given only at one point. The cost of making necessary arrangements to the Engineer's distribution system and laying of necessary pipe line, specials, valves, meters etc. for water supply or the laying of underground/overhead conductor, circuit protection, electric power meters and transmission structures in case of electric power shall be borne by the Contractor. The Contractor shall also bear the running cost of water and power supplied, the rates for which shall be determined and notified by the Engineer. The decision of the Engineer on such cost shall be final and binding. Any increase in water/power tariff by supplying agencies shall also be borne by the Contractor.



43.0 REPAIR TO DAMAGES

The Contractor shall be responsible for rebuilding/repairs of any damage by any reasons not attributable to the design defect (where design is supplied by Engineer/Client) during execution of works or Defect Liability Period. In case the Contractor is unable or unwilling to execute such repair works promptly, the Engineer may get the same done by engaging another agency or using labour, materials and resources as may be considered necessary and the cost of such remedial works shall be recovered from the Contractor's dues. The decision of the Engineer regarding reasons of the damage shall be final and binding.

44.0 IMPLEMENTATION OF QUALITY, SAFETY, HEALTH AND ENVIRONMENTAL MANAGEMENT SYSTEM

- 44.1 **QUALITY MANAGEMENT SYSTEM:** IRCON is an ISO Certified Company in Quality Management System and expects the Contractor to work as per the Standards.
- 44.1.1 The contractor shall follow various requirements of Quality Management System of IS/ISO 9001:2015 and Quality Policy of IRCON. The contractor already holding QMS Certificate need to act swiftly to keep it updated and fulfill various requirements as sites.
- 44.1.2 The contractor shall develop the Quality Assurance Plan (QAP) and Inspection and Testing Plan (ITP) and get it approved from Project Head/ the Engineer. The records of tests to be conducted as per ITP and tests done actually shall also be kept by the Contractor.
- 44.1.3 The Contractor shall ensure the timely calibration of all measuring and testing equipment at his own cost from reputed laboratory and the hard copies of Documented Information are to be kept ready for any time inspection by the Engineer.
- 44.1.4 The Contractor shall ensure maintenance and overhauling of all plants and machinery deployed for the works as per guidelines issued by Manufacturer/ Supplier/ Vendor/ Legal Requirements/ Engineer.
- 44.1.5 The Contractor shall keep the hard copies of the Documented Information of Manufacturer's Test Certificates (MTCs) and Third Party Test Certificates, from approved laboratory at his own cost, as required,



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for all the materials supplied by him. These records shall be checked any time by the Engineer.

- 44.1.6 The contractor shall ensure the use of materials (manufactured either tailor made or available off the shelf) of branded make/ manufactured by reputed companies. (materials like rebars, structural steel, cement, chemicals such as admixtures, retarders, accelerators, curing compounds, de-shuttering oils, bituminous materials - modified, cationic emulsions, cutbacks; glass, paints of all types, bolts & nuts, all types of fasteners, etc.). To ensure quality output the Contractor shall get his Batching Plant, Crushing Plant, Other Mixing Plants and Hot Mix Plant certified from third party existing in the approved list of Quality Council of India, New Delhi.
- 44.1.7 The Contractor shall provide work instructions/check lists for proper execution of work. The Contractor shall also maintain all relevant records and documents properly and same shall be made available to the Engineer as required. The Quality Checklists developed by Quality Management Department of IRCON shall also be followed.
- 44.1.8 All QAP, ITP, Laboratory Formats and other Documents related to Quality should wear the logo of IRCON along with that of the contractor.
- 44.2 **SAFETY, HEALTH, AND ENVIRONMENT MANAGEMENT SYSTEM:**
IRCON is an ISO Certified Company in the areas of Occupational Health & safety, and Environment Standards and expects the Contractor to work as per these Standards.
- 44.2.1 The contractor shall execute the work as per Safety, Health, and Environment Standards of IRCON (attached with the Tender Paper). Contractor shall provide and ensure the use of required Personal Protective Equipments (PPEs) for all workers/ staff and engineers. The contractor shall provide and erect safety barricades as required, display safety posters and instructions regarding safety.
- 44.2.2 The contractor shall prepare a 'Project Safety, Health and Environment Manual (SHE Manual)' and get it approved by the Project Head. The contractor will own the ultimate responsibility of all aspects of Safety, Health and Environmental, upkeep of the work place and it's surroundings.



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- 44.2.3 The Contractor will facilitate Safety Checks, Health Checks and Environmental Checks and checks on compliance to all the norms as per the 'SHE Manual' and the same shall be checked by PH or the nominated Safety Officer at regular interval. IRCON has developed the Checklists on Safety, Health and Environmental issues and expects the Contractor to follow the same.
- 44.2.4 All Checklists and other Documents related to SHE should wear the logo of IRCON along with that of the Contractor.
- 44.2.5 The Employer may, at their discretion undertake such corrective measures as deemed fit for immediate restoration of safe conditions at the work place at the cost of the Contractor and recover the cost from Contractor's running bills. The contractor will keep the Employer indemnified against any corrective action by the Employer. In addition to such recourse, the penalty for each violation will be enforced as under, without issuing any show cause notice for the same:

S. No.	Nature of violation	Penalty
1.0	Non preparation of Site Safety Plan before the first running bill.	₹10,000.00
2.0	Violation of safety norms pointed out by inspecting officials, such as deficient documentations or safety gadgets or lack of supervision/ process control etc.	₹10,000.00 for each violation subject to maximum 1% of the contract value in all.
3.0	Injury to worker leading to stoppage of work.	₹25,000.00 for each case.
4.0	Fatalities to workers at work related accidents.	₹5.00 Lakh for each mortality
5.0	Repetition of violation	May lead to termination of work.

45.0 MATERIALS AND WORKMANSHIP

45.1 Material and workmanship as per Specifications

- i. All materials and workmanship shall be as per the contract and in accordance with the Engineer's instructions and shall be subjected to such tests as the Engineer may direct. The



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Contractor shall provide all such assistance, instruments, machines, labour and materials required for examining, measuring and testing any work and materials used. The Contractor shall supply samples of material before incorporating in the works for testing as may be selected and required by the Engineer.

- ii. The sources of materials to be used in the works shall be intimated to the Engineer and are subject to his approval.

45.2 Supply of sample

All samples shall be supplied by the Contractor at his own cost.

45.3 Cost of tests of Materials and Workmanship

The cost of carrying out any tests in a reputed laboratory as acceptable to the Engineer shall be borne by the Contractor except for the materials to be supplied by the Engineer.

46.0 REMOVAL OF IMPROPER MATERIALS AND WORKS

- i The Engineer shall have the authority to order in writing from time to time:
 - a. The removal from site within specified time, of any material, which in the opinion of the Engineer, is not in accordance with the Specifications and Conditions of the Contract.
 - b. The substitution of defective material by approved quality material; and
 - c. The removal and proper re-execution, notwithstanding any previous decision or interim payment thereof, of any work which in respect of materials or workmanship is not, in the opinion of the Engineer, in accordance with the contract.
- ii. In case of default on the part of the Contractor in carrying out such order, the Engineer shall be entitled to get the same done by engaging another agency or by deploying labour, materials and other resources. All such cost shall be recovered from the Contractor's dues.



47.0 EXAMINATION OF WORK BEFORE COVERING UP

No work or part of work shall be covered up or put out of view, without the prior approval of the Engineer or the Engineer's representative. If any work shall be covered up or put beyond the reach of inspection/measurement without the prior approval of the Engineer or Engineer's representative, the same shall be uncovered by the Contractor at his own cost.

48.0 SUSPENSION OF WORKS ORDERED BY THE ENGINEER

The Contractor shall, on the order of the Engineer, suspend the works or any part thereof, for such time, and in such manner, as the Engineer may consider necessary, and shall during such suspension, properly protect and secure the works so far as it is necessary in the opinion of the Engineer.

The Contractor shall not be entitled to extra cost, if any, incurred by him during such suspension if such suspension is on account of weather conditions or requirement for execution of works or provided for in the Contract or for less than 30 days at a time for any other reason. The Contractor shall, however, be entitled for extension of time for completion of work as the Engineer may consider proper having regard to the period of suspension. However, if the suspension is ordered by the Engineer due to any default of the Contractor such as defective materials, workmanship etc., the Contractor shall not be entitled to any extension or extra cost incurred.

49.0 DELAY AND EXTENSION OF CONTRACT PERIOD

49.1 The time allowed for execution and completion of the works or part of the works as specified in the contract, shall be essence of the contract on the part of the Contractor.

49.2 As soon as it becomes apparent to the Contractor, that the work and / or portions thereof (required to be completed earlier), cannot be completed within the period(s) stipulated in the contract, or the extended periods granted, he shall forthwith inform the Engineer and advise him of the reasons for the delay, as also the extra time required to complete



the works and / or portions of work, together with justification therefor. In all such cases, whether the delay is attributable to the Contractor or not, the Contractor shall be bound to apply for extension well within the period of completion/extended period of completion of the whole works and / or portions thereof.

49.3 Extension due to modifications

If any modifications are ordered by the Engineer or site conditions actually encountered are such, that in the opinion of the Engineer the magnitude of the work has increased materially, then such extension of the stipulated date of completion may be granted, as shall appear to the Engineer to be reasonable.

49.4 Delays not due to Employer/Contractor.

If the completion of the whole works (or part thereof which as per the contract is required to be completed earlier), is likely to be delayed on account of:

- a. Any force majeure event referred to in Clause 71.0 or
- b. Delay on the part of other Contractors engaged directly by the Client/Employer, on whose Progress the performance of the Contractor necessarily depends or
- c. Any relevant order of court or
- d. Any other event or occurrence which, according to the Engineer is not due to the Contractor's failure or fault, and is beyond his control;

The Engineer may grant such extensions of the completion period as in his opinion is reasonable.

49.5 Delays due to Employer/Engineer

In the event of any failure or delay by the Employer/Engineer in fulfilling his obligations under the contract, then such failure or delay, shall in no way affect or vitiate the contract or alter the character thereof; or entitle the Contractor to damages or compensation thereof but in any such case, the Engineer shall grant such extension or extensions of time to complete the work, as in his opinion is / are reasonable.



49.6 Delays due to Contractor and Liquidated Damages:

If the delay in the completion of the whole works or a part of the works, beyond stipulated completion period, is due to the Contractor's failure or fault, and the Engineer feels that the remaining works or the portion of works can be completed by the Contractor in a reasonable and acceptable short time, then, the Engineer may allow the Contractor extension or further extension of time, for completion, as he may decide, subject to the following:

- a. Without prejudice to any other right or remedy available to the Engineer, recover by way of liquidated damages and not as penalty, a sum equivalent to quarter of one percent (0.25%) of the contract value of the works, for each week or part of a week the Contractor is in default.
- b. If the delay relates only to a portion of the works with a separate and earlier completion period, the contract value shall be restricted to the cost of that portion of the works only.
- c. The recovery on account of compensation for delay shall be limited to 5% of the contract value of the works, or the portion of the works, as the case may be.

The recovery of such damages shall not relieve the Contractor from his obligation to complete the work or from any other obligation and liability under the contract.

49.7 Engineer's decision on compensation payable being final

The decision of the Engineer as to the compensation, if any, payable by the Contractor under this clause shall be final and binding.

49.8 Time to continue to be treated as the essence of contract in spite of extension of time.

It is an agreed term of the contract that notwithstanding grant of extension of time under any of the sub-clauses mentioned herein, time shall continue to be treated as the essence of contract on the part of the Contractor.



50.0 DETERMINATION OF CONTRACT DUE TO CONTRACTOR'S DEFAULT

50.1 Conditions leading to determination of contract

- i. If the Contractor
 - a. becomes bankrupt or insolvent, or,
 - b. makes arrangements with or assignment in favour of his creditor, or agrees to carry out the contract under a committee of inspection of his creditors, or
 - c. being a company or corporation goes into liquidation by a resolution passed by the Board of Directors/ General Body of the share-holders or as a result of court order (other than voluntary liquidation for the purpose of amalgamation or reconstruction), or
 - d. has execution levied on his goods or property or the works, or
 - e. assigns or sublets the contract or any part thereof otherwise than as provided for under conditions of this contract, or
 - f. abandons the contract, or
 - g. persistently disregards instructions of the Engineer or contravenes any provisions of the contract, or
 - h. fails to adhere to the agreed programme of work or fails to complete the works or parts of the works within the stipulated or extended period of completion, or is unlikely to complete the whole work or part thereof within time because of poor record of progress, or
 - i. fails to remove materials from the site, or pull down and replace work, after receiving notice from the Engineer to the effect that the said materials or works have been condemned or rejected, or
 - j. fails to take steps to employ competent and/ or additional staff and labour, or



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- k. fails to afford the Engineer or his representative proper facilities for inspecting the works or any part thereof, or
- l. promises, offers or gives any bribe, commission, gift or advantage, either himself or through his partners, agents or servants to any officer or employee of the Engineer or the Employer, or to any person on their behalf, in relation to obtaining or execution of this or any other contract with the Employer, or
- m. suppresses or gives wrong information while submitting the tender.

In any such case the Engineer on behalf of the Employer may serve the Contractor with a notice in writing to that effect and if the Contractor does not, within 7 - days after delivery to him of such notice, proceed to make good his default in so far as the same is capable of being made good, and carry on the work or comply with such instructions as aforesaid to the entire satisfaction of the Engineer, the Employer shall be entitled after giving 48 hours notice in writing to terminate the contract, as a whole or in part or parts (as may be specified in such notice).

ii. In such a case of termination, the Employer/Engineer may adopt the following courses

- a) Take possession of the site and any materials, constructional plants, equipment, stores, etc.
- b) Measure up whole or part of the work from which the Contractor has been removed, and get it completed by another Contractor. The manner and method in which such work is to be completed, shall be entirely at the discretion of the Engineer whose decision shall be final and binding.
- c) Carry out the whole or part of the work from which the Contractor has been removed, by the employment of the required labour, materials, plants and equipment and other resources.



50.2 Entitlement of Employer/Engineer:

In cases described in sub-clause 50.1 (ii) above, the Employer/Engineer shall be entitled to:

- a. Forfeit the whole or such portion of the Performance Security amount, as he may deem fit, and
- b. To measure up the whole or part of the work from which the Contractor has been removed and get it completed by another contractor, the manner and method in which such work is completed shall be in the entire discretion of the Engineer whose decision shall be final.

51.0 DETERMINATION OF CONTRACT ON EMPLOYER/ENGINEER'S ACCOUNT:

The Employer/Engineer shall be entitled to determinate the contract, at any time, should, in the Employer/Engineer's opinion, the cessation of works becomes necessary, owing to paucity of funds or due to court orders or from any other cause whatsoever. Notice in writing from the Employer/Engineer of such termination and reasons therefore, shall be conclusive evidence thereof. In such a case, the value of approved materials actually brought to the site and of work done upto date by the Contractor, shall be paid for in full by the Employer/Engineer, at rates specified in the contract. If rates for any materials or items of work are not available in the contract, these shall be fixed by the Engineer in terms of clause 59.0.

In case of determination of contract on Employer/Engineer's account as described above, the claims of the Contractor towards expenditure incurred by him in the expectation of completing the whole works, shall be admitted and considered for payment as deemed reasonable and are supported by the documents/vouchers etc. to the satisfaction of Employer/Engineer. The decision of the Employer/Engineer on the necessity and propriety of such expenditure shall be final and conclusive.

However, the Contractor shall have no claim to any payment of compensation or otherwise, on account of any profit or



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advantage which he might have derived from the execution of the work in full but which he could not in consequence of determination of contract under this clause.

Plant, Equipment and tools as well as unutilised materials supplied by the Employer/Engineer to the Contractor shall be returned in acceptable conditions at Engineer's depot at Contractor's cost. The Engineer shall be entitled to recover the cost of unreturned Plant, Equipment and tools as well as unaccounted materials from the Contractor. The amount to be recovered from the Contractor shall be decided by the Engineer whose decision in this regard shall be final and binding. The Contractor shall have to pay back unrecovered portion of advances made to him, together with accrued interest thereon. In case, the Contractor defaults, the Engineer shall recover the amounts from any payment due to the Contractor, or from the Performance Security or by encashing the Bank Guarantees given by the Contractor for securing the advances or for any other purpose. This is without prejudice to other remedies available to the Employer/Engineer.

52.0 DEATH OF CONTRACTOR / PARTNER

If the Contractor is an individual or a sole proprietary concern, and the individual or a sole proprietor dies, or if the Contractor is a partnership concern and one of the partners dies, in that case, unless the Employer/Engineer is satisfied that the legal representative of the individual Contractor or of the sole proprietor, as the case may be, or in the case of partnership firm, all surviving partners are capable of carrying out and completing the contract, the Employer/Engineer shall be entitled to rescind the contract as to its incomplete part. In that event, the Employer/Engineer shall not be liable to pay any compensation to the legal heirs of the deceased Contractor and / or to the surviving partners of the Contractor's firm, on account of such cancellation of contract. The Engineer's decision as to whether the legal representatives of the deceased Contractor or surviving partners of the Contractor are capable of carrying on and completing the contract shall be final and binding on the parties. Provided further that the legal representatives of the deceased Contractor or the surviving partners shall also not be liable to pay any damages, alleged or actually suffered by the Employer/Engineer, in respect of



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incomplete part of the contract. Any liability incurred by the deceased Contractor, or by the deceased partner of the contracting firm, before his death, shall be recovered from the legal representatives of the deceased Contractor or from the surviving partners of the said contracting firm as the case may be.

53.0 EMPLOYMENT OF RETIRED OFFICERS/ENGINEER OF EMPLOYER/ENGINEER

No Officer/Engineer of the Employer is allowed to work as a Contractor or his employee for a period of two years after his retirement/resignation from the service of the Employer without the prior permission of the Employer.

54.0 MODIFICATION TO CONTRACT

In the event of any provisions of the contract requiring to be modified after the agreement has been signed, the modifications shall be made in writing and signed by the Employer/Engineer and the Contractor or his authorised representative. Such modifications will not be effective until the same have been signed by both the parties. Any verbal or written arrangements for abandoning, modifying extending, reducing or supplementing the contract, or any of the terms thereof shall be deemed to be provisional and shall not be binding on the Employer/Engineer unless and until the same are incorporated in a formal instrument and signed by the Employer/Engineer and the Contractor.

55.0 MODIFICATIONS TO WORK

The Engineer shall be competent to order in writing to enlarge or extend, diminish or reduce the works or make any alterations in their design, character, position, site, quantities, dimensions or in the method of execution or use of materials for the execution thereof and to any additional works to be done or any work not to be done.

The enlargement, extension, diminution, reduction, alterations or additions, referred to above shall in no way affect the validity of the contract, but shall be performed by the Contractor as provided therein and be subject to the same conditions, stipulations, obligations and rates as if they had



been originally and expressly included and provided for in the Bill of Quantities, specifications and drawings, and the amount to be paid therefor shall be calculated in accordance with accepted rates and other extra items of works at the rates, determined as per contract. However, the rates of quantities exceeding 25% of those provided in Bill of Quantities shall be finalised as per clause 58.0 of these conditions.

56.0 RATES FOR ITEMS OF WORK TO BE ALL INCLUSIVE

- i. The rates entered in the accepted Bill of Quantities of the Contract, shall be all-inclusive and provide for works duly and properly completed in accordance with terms and conditions of the Contract and processes as mentioned in specifications and drawings (including revised drawings), relevant codes whether mentioned or not in the nomenclature of the item in Bill of Quantities. All rates quoted in the tender shall also deemed to include except specifically provided otherwise in the Contract:
 - All materials, labour, tools and plant, stores, centering, shuttering, etc.
 - Construction/Erection, maintenance and removal of all temporary works.
 - All watching, lighting, pumping and draining unless otherwise provided for.
 - All barriers and arrangements for safety of the property, utilities, public or employees/workers during the execution of works.
 - All sanitary and medical arrangements for labour camps.
 - The setting out of all works of construction, repair and up-keep of all centre lines, benchmarks, reference pillars etc.
 - Site clearance except specifically provided otherwise in the Contract.
- ii. Nothing extra shall be payable over the quoted rates, except as specifically provided in the Contract.



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- iii. All rates quoted in the Bill of Quantities shall be deemed to be inclusive of all types of taxes, duties and levies imposed by Central/State Govt. and local bodies such as IGST/ CGST/ SGST/ UTGST, Compensation Cess, Labour Cess, Custom Duty, royalties, and other levies. No additional amount shall be paid or claim be entertained on these account by Employer/Engineer.
- iv. If there is any Change to the existing rates of statutory taxes / duties of the state / Central Governments or levy of any new type of statutory taxes / duties or substitution of existing taxes / duties after the last date of submission of tender shall be borne by Employer/Engineer. The increase or decrease in the liability on this account will be dealt with accordingly. Increase in liability shall be reimbursed as per actual on submission of computation of increased liability statement with documentary evidences in the form of challans / returns of the Contractors/ suppliers to the satisfaction of Employer/Engineer. Similarly, in case of reduction of taxes/ duties by either the Central / state Governments / local bodies due to change in the rate of taxes / duties or due to introduction of new tax or substitution of existing tax the benefits of reduction in liability shall be passed on to Employer/Engineer immediately commencing from the first periodical return falls due. Computation of decrease in liability shall be submitted by the contractors/ suppliers / service providers, examined and agreed by Employer/Engineer. All the changes in rules and consequent payments should be supported by documentary evidences.
- In case the contractor fails to intimate and does not pass on the benefit to Employer, he may be liable to a penal interest for the period for which benefit has not been passed on at the rate of SBIMCLR+3%. In addition to this penalty equal to 10% of amount of benefit shall also be levied in case benefit fallen due has not been intimated to Employer.
- v. The Contractors / Suppliers / service providers who is liable to get registered under the GST act shall submit a copy of the registration certificate with GST No. and such other details as desired by Employer/Engineer for compliance under the CGST /



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IGST/SGST / UTGST and Compensation Cess Act. The Contractor / Supplier / service provider shall be responsible for issuing of Tax Invoices, filing of statutory monthly return and deposit of statutory taxes within the time limit as prescribed in law. Any Interest / penalty/taxes (non availment of Input tax Credit due to mismatch in GSTR2) which is required to be paid by Employer/Engineer due to the default by the Contractor / Supplier / service provider to comply with the above mentioned activity / provisions as prescribed in laws, rules and regulations shall be recovered from the Contractor / Supplier / service provider and adjustment shall be made when mismatch is attended and solved and credit is extended to Employer/Engineer.

- vi. The Contractor / Supplier / service provider who is not liable to get registered under the GST Act or who has opted for composition scheme under the GST Act shall submit documentary evidence in support of the above.
- vii. In the case of unregistered contractor / supplier / service provider Employer/Engineer shall deduct applicable GST under reverse charge from the payments released by back calculation method. GST deducted shall be deposited to the concerned authority.
- viii. Employer/Engineer shall deduct Cess at prescribed rate as per provision of the Building and Other Construction Work Welfare Cess Act 1996.
- ix. The Contractor shall bear the cost of all royalties, fees and other payments in respect of patents, patents right and license(s) which may be payable to patentee, licensee or other person or corporation and shall obtain all necessary licenses/permissions. In case of any breach (whether willfully or inadvertently) by the Contractor of this provision, the Contractor shall indemnify Employer, Engineer and their employees against all claims, proceedings, damages, costs, charges, loss and liability which they or any of them may sustain, incur or be put to by reason or in consequence directly or indirectly of such breach and against payment of any royalties, damages or other money which the Employer/Engineer may have to make to any persons or pay in total to the patent rights in respect of the users of any machine, instruments,



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process, articles matter or thing constructed, manufactured, supplied or delivered by the Contractor under this contract.

- x. The contractor shall be liable to submit the Royalty payment receipt as per the applicable norms and the prevailing rate to the extent materials are used on the project. IRCON shall be free to deduct suitable amount from RA Bill of the contractor if the Royalty payment receipt is not submitted by the contractor before releasing payment. Amount deducted by the Engineer on account of Royalty shall only be released on submission of Royalty payment receipt/ Royalty Clearance Certificate by the contractor. However, Contractor shall be liable to submit Royalty Clearance Certificate from the concerned authority before releasing the final bill.
- xi. Upon implementation of GST any reduction in tax on supply of goods or services or the benefit of input tax credit shall be passed on to Employer/Engineer by way of commensurate reduction in prices.

57.0 ACCEPTED RATE APPLICABLE TILL THE COMPLETION OF WORK

The rates as per the accepted Bill of quantities, shall be firm and hold good till the completion of the works, and no additional claim or amount shall be admissible on account of fluctuations in market rates, increase in fees royalties unless specifically provided for in the Contract.

58.0 VARIATION IN QUANTITY OF ITEMS COVERED BY THE BILL OF QUANTITIES

- i) The quantities of items shown in the Bill of Quantities are approximate, and liable to vary during the actual execution of the work. The Contractor shall be bound to carry out and complete the stipulated work, irrespective of the variations in individual items, specified in the Bill of Quantities.
- ii) Such variations in quantities shall be paid for in the manner laid down below:
- (a) In case the variation in individual items goes beyond (+) 25% in respect of the specialized nature of works like tunneling works, Earthwork including rock blasting in hilly terrain for



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construction of access roads and the consequential works like protection works etc., where it is not possible to prepare fairly accurate estimate of quantities before award of the contract and it is not practical to bring a new agency for doing the increased quantity of work beyond (+) 25% variation, 1% reduction in the accepted rate will be effected for payment to the Contractor beyond (+) 25% variation and upto (+) 50% variation.

- (b) In other works where it is generally possible to work out fairly accurate estimate before award of the contract, 2% reduction in the accepted rate will be effected beyond (+) 25% variation and upto (+) 50% variation.
- (c) In case the variations in individual items is more than (+) 50%, the rate for the increased quantities beyond (+) 50% shall be negotiated between the Engineer and the Contractor. Provided further that for the quantities exceeding (+) 50% of each item of Bill of Quantities, the Engineer shall have a right to get these executed from any other agency or by his own labour, materials and resources.
- (d) Decrease in quantity of individual items up to (-) 50% due to site conditions shall not form ground for revision of rates or claim on this account. Beyond (-) 50% variation, rate shall be negotiated between the Engineer and the Contractor.
- (e) The above limit of variation shall not be applicable for small value items and no negotiations for rates for such items shall be done. Small value items shall be those items whose sum, starting from the lowest value item, is upto 2% of the original contract value and shall be decided between the Engineer and the Contractor.
- (f) The limit of 25% would apply to the value of sub schedule of BOQ containing SOR items as a whole and not on an individual SOR items. However, in case of NS items, the limit of 25% would apply on the individual items irrespective of the manner of quoting the rate (single percentage rate or individual item rate).



59.0 ITEMS NOT INCLUDED IN THE BILL OF QUANTITIES

- 59.1 If any item of work not provided for in the accepted Bill of Quantities and required to be executed for completion of work, the Contractor on receipt of instructions from the Engineer, shall be bound to carry out such items of work at the rates to be decided as per sub-clause 59.2 and 59.3.
- 59.2 The rate for such extra items shall be derived from rate for similar items available in the accepted Bill of Quantities.
- 59.3 In case rates can not be derived from the accepted Bill of Quantities, the rate may be worked out on the following basis:
- a. Cost of materials and consumables at current market rates, as actually utilised in the final finished permanent work, including a reasonable percentage for wastage and cost of loading, unloading and transportation.
 - b. Cost of labour required for the work.
 - c. Hire charges for plant and machinery, scaffolding, shuttering, forms, etc. required to be used at the site of the work.
 - d. An amount of 10% of items (a), (b) and (c) above to allow for Contractor's overheads, profits and other contingencies.
- 59.4 In all cases where extra items of work are involved, for which there are no rates in the accepted Bill of Quantities, the Contractor shall give a notice to the Engineer, of at least 7 days before the need for their execution arises.

Such a notice shall not however be necessary if the Engineer has already instructed in writing to take up such an item of work. To decide the rate, the Contractor shall furnish detailed analysis of the rates on the lines mentioned in sub-clause 59.2 and 59.3 above and attend a meeting with Engineer to settle the rate as and when called for. The Contractor shall be bound to furnish the requisite details and to attend the meeting.



59.5 Provisional payment for extra item

In case mutually agreeable settlement of rates is not arrived at between the Engineer and the Contractor, the Contractor shall be bound to carry out the works at rates to be decided by the Engineer. In the absence of a finalised rate for a new item, the Engineer shall be entitled to certify payment to the Contractor based on a provisional rate fixed by the Engineer for the work done under the new item. This shall be subject to upward or downward adjustment after the rate is finalised by the Engineer for that item.

59.6 The decision of the Engineer under this clause shall be final and binding.

60.0 LIEN IN RESPECT OF CLAIMS IN OTHER CONTRACTS

Any moneys due to the Contractor either alone or jointly with others, including the performance guarantee amount returnable to him may be withheld or retained or encashed by exercise of lien by the Client/ Employer/Engineer against any claim of the Client/ Employer/Engineer or any other branch, office department or subsidiary of the client/ Employer/Engineer in respect of a sum of money arising out of or under any contract other than the present contract made by the Contractor alone or jointly with the client/ Employer/Engineer or any other branch, office, department or subsidiary of the client/ Employer/Engineer. It is agreed term of contract that the sum of money so withheld or retained under this clause by the client/ Employer/Engineer, shall be kept withheld or retained till the claims arising out of or under the contract, are either mutually settled or determined by the Arbitrator, or by the competent court, as the case may be and that the Contractor shall have no claim for interest or damages whatsoever on this account or any other account, in respect of any sums of money withheld retained, under this clause and duly notified to the Contractor.



61.0 MEASUREMENTS OF WORK AND PAYMENTS

61.1 Measurements

The Contractor shall be paid for the works at rates in the accepted Bill of Quantities of the contract and extra items of work at rates determined under clause 59.0 of these conditions. The measurement shall be taken by the Engineer or his representative in the presence of the Contractor or his authorised representative.

61.2 Measurement of work at regular intervals

The measurements of the work shall be taken in accordance with the contract during progress of work and at such intervals, as in the opinion of the Engineer or Engineer's Representative shall be proper, having regard to the progress of the work. On an agreed date and time, the Engineer or his Representative shall take the on account or final measurements in the presence of the Contractor or his authorised representative. The Engineer or his authorised representative shall sign the measurements, which shall also be signed by the Contractor or his authorised representative as an acceptance of the measurements. If the Contractor or his representative fails to turn-up at the time of taking measurements inspite of notice to do so, the Engineer or his representative shall be entitled to record the measurements ex-parte and these shall be final and binding on the Contractor.

61.3 Measurement of works as per records and drawings

- i. For the purpose of measuring such permanent works, as are to be measured by records and drawings, the Contractor shall prepare records and drawings at regular intervals and submit to the Engineer or Engineer's representative for his scrutiny.
- ii. In case, there is a discrepancy in the measurements of work done and the measurements as per drawings, measurements for the minimum of the two shall only be accounted for, provided the executed work is acceptable to the Engineer.



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- iii. The Engineer or the Engineer's representative shall have the right to rectify any incorrect measurements and delete/correct any measurements if it is found at a later stage that the work is incomplete, defective and/or not conforming to the specifications.

62.0 ON ACCOUNT PAYMENTS

62.1 The Contractor shall be entitled to be paid from time to time, by way of "On-account" bills, only for such works, as in the opinion of the Engineer, the Contractor has executed in terms of the contract. Such payments shall be made at intervals to be decided by the Engineer depending upon the progress of work. Payment shall be made only on submission of bills alongwith measurements and necessary documents by the Contractor for scrutiny of the Engineer including provisions given in sub-clause no. 56.0 (x) of GCC pertaining to royalty payment. The amount certified shall account for all deductions, including statutory deductions as for GST, income tax, etc., recoveries for advances and any amounts due from the Contractor. Such payments made by the Engineer shall not constitute any final acceptance of the measurements. In case of any discrepancy, the Engineer shall have the right to alter, modify, reduce or diminish the quantities or classification entered in the Measurement Books. In such cases, the Engineer shall have the right to recover any amount paid in an earlier bill/bills from any subsequent bill/bills and should the amount to be recovered be more than the amount of the subsequent bills, the Contractor shall on demand from the Engineer immediately refund the amount to the Engineer within 7 days, failing which he shall have to pay interest @1% per month till the said extra amount is paid back by him.

62.2 For materials brought to site by the Contractor, the Engineer may allow (interest free) payment @ 75% cost of major materials brought to site for use in the works as secured advance which will normally be paid along with next on account payment. The payment of secured advance shall be made without any bank guarantee but on written request of the Contractor alongwith indemnity bond indemnifying Employer/Engineer against any loss and/or damages to the materials for which secured advance is sought by the Contractor. The indemnity bond shall be submitted on



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a non-judicial stamp paper of minimum value of ₹10/- duly notarised as per the format approved by the Engineer. The Contractor should supply necessary vouchers etc. as evidence that payment has been made by the Contractor for all the materials brought to site for which secured advance is sought by the Contractor. Secured advance shall be paid at the rates derived from the accepted rate of the item(s) for which the materials are to be consumed and procurement rates, whichever is lower. The Engineer's decision as to the Quality, Quantity and value of the materials for which such secured advance is payable will be final and binding on the Contractor. The recovery of secured advance so made will be made from the subsequent on account bills to the extent the materials are consumed in the work.

62.3 The Engineer may on specific request and authorisation by the Contractor in writing release payments directly to the Suppliers, sub-contractors or petty contractors of the Contractor from the amount(s) certified, passed and due for payment to the contractor.

62.4 In cases of default by the Contractor, the Engineer may without any notice to the Contractor, release payments directly to the suppliers/sub-contractors and/or petty contractors of the Contractor. All such payments shall be recovered with interest @ 1.25% (including administrative charges) per month from the payments due to the Contractor.

62.5 In exceptional circumstances, if the Contractor is not able to make prompt payments to his suppliers affecting supplies of materials and progress of work, the Engineer may (but shall not be obliged to) give assurance to the suppliers for payments against supply of materials/consumables to the Contractor. In this case, the Contractor shall give to the Engineer an undertaking in writing that cost of such materials if not paid by him may be directly paid to his suppliers and recovered from his dues. Such payments shall only be made after receipt of materials at site and verification of the payments by the Contractor. The recovery of such payments shall be made with interest @ 1.25% (including administrative charges) per month from the next payment due to the Contractor. Total payments so made on behalf of the contractor shall not exceed 5%



of the Contract value during the entire contract period.

62.6 The decision of the Engineer regarding exceptional circumstances and payments to be made to the suppliers, sub-contractors and petty contractors under the clause Nos. 62.3, 62.4 and 62.5 shall be final and binding on the Contractor. Such payments shall also not relieve the Contractor from any of his liabilities or obligations under the Contract.

62.7 No payment under the contract shall be made to the Contractor before receipt of performance security. The Engineer shall also be entitled to withhold payments under the above sub-clauses in case the Contractor fails to get himself registered under sales tax/labour laws or fails to fulfill his obligation under the contract.

63.0 FINAL MEASUREMENTS AND PAYMENTS

As soon as possible after completion of work, the Contractor shall submit the final bill along with detailed measurements of work done, accountal of the materials, plant and machinery issued by the Engineer and all other statements, supporting documents required for finalisation of the bill including provisions given in sub-clause no. 56.0 (x) of GCC pertaining to royalty payment. The final bill, measurements and documents submitted by the Contractor shall be scrutinised by the Engineer or his representative and in case the same are found not in order, the Engineer shall direct the Contractor to re-submit the final bill along with all details. On receipt of all requisite details and final bill from the Contractor, the Engineer shall have the final measurements taken, recorded and signed jointly. An accountal of any plant, equipment and materials issued by the Engineer to the Contractor, shall also be prepared and signed jointly. Based on the final measurements and materials and plant and equipment accountal statements, the Engineer shall prepare the final bill.

"The Contractor shall sign the Engineer's copy of the Final Bill Account in token of acceptance of the full and final value of the works performed under the contract. The Engineer shall then arrange to make payment against the final bill."



64.0 MODE OF PAYMENT AND TAX DEDUCTION AT SOURCE

64.1 Mode of Payment:

64.1.1 All payments to the Contractor shall be made through Electronic Clearing System (ECS). The contractor shall furnish his Banker's details in addition to his own bank account details. All amounts payable to the Contractor shall be directly credited to his bank account.

64.1.2 In case, the contractor is having his account with a bank not having Electronic Clearing System (ECS), the Contractor may open a bank account with the bank having this facility.

64.1.3 All payments to the Contractor shall be made by above means only unless specifically otherwise agreed by the Engineer in special circumstances for petty payments.

64.2 Tax deduction at source

Income tax shall be deducted from the payments credited/released by Employer/Engineer to the Contractor/Supplier/Service Provider against execution of work as per the Income Tax Act, 1961. The deductions shall be made as per prescribed rates prevalent from time to time unless a tax exemption certificate is produced by the Contractor. Amount of tax deduction shall be deposited with the concerned authorities and tax deduction certificate shall be issued by Employer/Engineer. The Employer/Engineer shall deduct at source taxes/duties under any other law/statute as may be applicable at the time of making payments. The Contractor shall furnish to the Engineer PAN (for TDS), as applicable.

The deduction towards income tax shall be made at source from the payments due to the non-resident Contractor/Supplier/Service Provider as per section 195 of the Income Tax Act, 1961.



64.3 Payment through Discounting of Bills on TReDS Exchange

- (a) With introduction of MSME TReDS platform by the Ministry of Heavy Industries & Public Enterprises, IRCON has entered into Master agreement with M/s RXIL (Receivable Exchange of India Limited) for setting up TReDS Exchange where MSEs vendors of IRCON have the option to realize their payment before due date by discounting their bills on MSME TReDS Exchange platform of M/s RXIL.

If MSEs vendors are willing to avail facility of discounting their bills through TReDS Exchange, they will first have to enter Master Agreement with M/s RXIL and share a copy of Agreement with IRCON.

- (b) In such cases, after logging in to TReDS Exchange, MSEs vendor is required to create a factoring unit on the basis of invoice after deductions/ recovery of all statutory dues. It may be noted that the factoring unit shall be verified by IRCON for net payable amount only, i.e. after recovery/ deduction of statutory dues and as per terms and conditions of the Contract Agreement.
- (c) In case, the factoring unit gets financed by financiers in the RXIL's TReDS platform Exchange, IRCON's payment liability towards MSEs vendors ceases to be existed. In such cases IRCON, shall make payment to the ultimate financier on the due date of payment as per terms of the Contract Agreement.
- (d) In the event of a factoring unit remains unfinanced, IRCON shall make the payment directly to the MSEs vendor's account through ECS mode as per sub-clause no. 64.1.1. of the GCC.
- (e) IRCON shall not be liable for any damages, losses, claims and liabilities (including legal cost) resulting from any of the following:
- (i) MSEs vendor's inability to use RXIL's TReDS Platform or it's services.



GENERAL CONDITIONS OF CONTRACT

- (ii) any defect in services on the TReDS platform from any Participant or any other third party through the site.
- (iii) Unauthorized access by third parties to data or private information of any user/participant.
- (iv) any matter relating to services however arising, including negligence.

65.0 COMPLETION CERTIFICATE

65.1 As soon as the work is completed, the Contractor shall give notice of such completion, whether of the whole of the works, or of any part of the work, for which a separate date of completion is stipulated in the contract, to the Engineer, and the Engineer, within 30 days of receipt of such notice, shall inspect the work and also arrange for carrying out of such tests as may be prescribed under the contract or ordered by the Engineer. If the Engineer notices any incomplete item of work or any defect, which is to be rectified by the Contractor, or if any part or whole of the work fails to pass the specified tests, the Engineer shall furnish to the Contractor, the list of all such incomplete items of work, deficiencies, defects, failure to pass tests, etc., and may refuse to issue a Certificate of Completion to the Contractor. If in the opinion of the Engineer the work has been satisfactorily completed and has satisfactorily passed final test or tests that may be prescribed, the Engineer shall issue a certificate of completion showing the date of completion in respect of the work. The defect liability period, if any, shall commence from the date of completion indicated in such certificate. Provided that the Engineer may issue such a certificate with respect to any part of the works, before the completion of the whole of the works, which has been so completed and/or used by the Client/Employer/Engineer. When any such certificate is given in respect of a part of the work, such part shall be considered as completed and the defect liability period of such part shall commence from the date of completion indicated in such certificate.



65.2 Completion certificate not to absolve the Contractor from his Responsibilities:

The Certificate of Completion of Works referred to in sub-clause 65.1 shall not absolve the Contractor from his liability to make good defects, imperfections and shrinkages or faults, which may appear during the defect liability period specified in the contract, arising in the opinion of the Engineer from materials or workmanship being not in accordance with the Contract. These shall be rectified and made good by the Contractor at his own cost. In case of the default on the part of the Contractor, to so make good the defects or deficiencies, the Engineer may employ labour, plant and machinery and materials or appoint another agency or Contractor, to make good such defects, imperfections, shrinkages and faults, and all expenses consequent and incidental thereto, shall be recovered from any money due to the Contractor under the contract including the Performance Security amount or from any money payable to the Contractor by the Employer/Engineer, under any other contract.

66.0 CLEARANCE OF SITE ON COMPLETION

On completion of works, the Contractor shall clear and remove from site all constructional plant, surplus materials, rubbish and temporary works of every kind, and leave the whole of the site of work clean, tidy and in a workman like condition to the satisfaction of the Engineer. This will be one of the pre-conditions for making the final payment to the Contractor. Such clearance may be made by the Engineer through any other agency at the expense of the Contractor in the event of the Contractor's failure to comply with this provision within 7 days after receiving notice to that effect from the Engineer.

67.0 POST PAYMENT AUDIT

It is an agreed term of the contract, that the Employer reserves to himself the right to carry out a post payment audit or technical examination of the works, and the final bill including all supporting vouchers, abstracts, etc. If as a result of such examination, any over payment to the Contractor is discovered to have been made in respect of any work done, the Contractor will be bound to refund the



same to the Engineer or may be adjusted against any dues of the Contractor. If any under payment is discovered, the same shall be paid by the Engineer to the Contractor. Such payments or recoveries, however, shall not carry any interest.

68.0 DEFECT LIABILITY CERTIFICATE

68.1 In the contract, the expression "Defect Liability Period" shall mean the period of defect liability prescribed elsewhere in the contract, commencing from the date of completion of the works, as certified by the Engineer.

The Contractor shall maintain, rectify and make good at his own cost any defects/deficiencies, which may develop in the work or as notified by the Engineer during Defect Liability Period. However, maintenance during Defect Liability Period shall not include day to day upkeep, cleaning, custody and security of the work.

68.2 The contract shall not be considered as completed, until a Defect Liability Certificate has been issued by the Engineer stating that the works have been completed and maintained to his satisfaction. Defect Liability certificate shall be issued by the Engineer, upon expiry of Defect Liability period or as soon thereafter as any works ordered during such period, have been completed to the satisfaction of the Engineer.

68.3 No certificate other than "Defect Liability Certificate" shall be deemed to constitute final approval of the work or part of the work for which it is issued.

69.0 UNFULFILLED OBLIGATIONS

Notwithstanding the issue of Defect Liability Certificate, the Contractor and the Engineer shall remain liable for the fulfillment of any unfulfilled obligations under the provision of the contract, prior to the issue of the Defect Liability Certificate, and for the purpose of determination of the nature and extent of any such obligation, the contract shall be deemed to remain in force between the parties thereto.



70.0 PRODUCTION OF VOUCHERS

70.1 The Contractor, whenever required, shall produce for examination by the Engineer, any quotation, invoice, cost or other account books, vouchers, receipts, letters, memoranda or any copy of or extract from any such documents and also furnish information and returns, as may be required, relating to the execution of this contract. The Engineer's decision on the question of relevancy of any documents, information or returns shall be final and binding on the Contractor.

70.2 If any part or item of the work is allowed to be carried out by a sub-Contractor, the Engineer shall have power to secure the books of such sub-Contractor, through the Contractor, and shall have power to examine and inspect the same.

71.0 FORCE MAJEURE

71.1 If, at any time during the currency of the contract, the performance of any obligation (in whole or in part) by the Employer or the Contractor shall be prevented or delayed by reason of any war, hostilities, invasion, acts of public or foreign enemies, rebellion, revolution, insurrection, civil commotion, sabotage, large scale arson, floods, earthquake or any other act of God, large scale epidemics, nuclear accidents, any other catastrophic unforeseeable circumstances, quarantine restrictions, any statutory, rules, regulations, orders or requisitions issued by a Government department or competent authority (hereinafter referred to as "event") then, provided notice of the happening of such an event is given by either party to the other within 21 days of the occurrence thereof.

- a. Neither party by reason of such event be entitled to terminate the contract or have claim for damages against the other in respect of such non-performance or delay in performance.
- b. The obligations under the contract shall be resumed as soon as practicable after the event has come to an end or ceased to exist.
- c. If the performance in whole or part of any obligation under the contract is prevented or



GENERAL CONDITIONS OF CONTRACT

delayed by reason of the event beyond a period of 180 days, the contract may be fore-closed with mutual consent by giving a notice of 30 days without any repercussions on either side.

- d. In case of doubt or dispute, whether a particular occurrence should be considered an "event" as defined under this clause, the decision of the Engineer shall be final and binding.
 - e. Works that have already been measured shall be paid for by the Engineer even if the same is subsequently destroyed or damaged as a result of the event. The cost of rebuilding or replacing any work that has been measured shall be borne by the Employer/Engineer.
 - f. If the contract is fore-closed under this clause, the Contractor shall be paid fully for the work done under the contract, but not for any defective work or work done which has been destroyed or damaged before its measurement. The Engineer shall have the option to take over any plant and material lying at site, at rates provided for in the contract, failing that, as per rates which are determined to be fair and reasonable by the Engineer.
- 71.2 If no notice is issued by either party regarding the event within 21 days of occurrence, the said event shall be deemed not to have occurred and the contract will continue to have effect as such.



NOTE: Following Clause No. 72.0 and 73.0 shall not be applicable for tender valuing upto 500 Crore (Rupees Five Hundred Crores)

72.0 CLAIMS

72.1 Monthly Statement of Claims:

The contractor shall prepare and furnish to the Engineer once in every month an account giving full and detailed particulars of all claims for any additional expenses to which the Contractor may consider himself entitled to and of all extra or additional works ordered by the Engineer which he has executed during the preceding month and no claim for payment for and such works will be considered which has not been included in such particulars.

Non-receipt of statement of claims shall be construed that contractor has 'no claim'.

72.2 Signing of "No Claim" Certificate:

The contractor shall not be entitled to make any claim whatsoever against IRCON under or by virtue of or arising out of this contract, nor shall IRCON entertain or consider any such claim, if made by the Contractor, after he shall have signed a "No Claim" Certificate in favour of IRCON in such form as shall be required by IRCON after the works are finally measured up. The Contractor shall be debarred from disputing the correctness of the item covered by "No Claim" Certificate.

The "No Claim Certificate" furnished by the contractor shall be treated as the "Discharge Certificate" by the contractor, which discharges the Employer from all liabilities under the contract.

73.0 SETTLEMENT OF DISPUTES

All disputes and differences of any kind whatsoever arising between the parties (Employer/ Engineer and the Contractor) out of or in connection with the contract, whether during the progress of the work or after its completion and whether before or after the determination of the contract, shall be settled as under, provided that matters for which provision has been made in clauses 20.3, 36.5, 40.1, 40.2, 49.7, 50.0, 51.0, 59.0, 61.0 and 72.0 of General

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06/05/2020
GM / Civil / C&A / IRCON

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Conditions of Contract or in any clause of the Special Conditions of Contract shall be deemed as 'excepted matters' (matters not arbitrable) and decision of the Employer thereon, shall be final and binding on the contractor; provided further that 'excepted matters' shall stand specifically excluded from the purview of this clause.

73.1 Mutual Settlement

All such disputes or differences shall in the first place be referred by the Contractor to the Engineer in writing for resolving the same through mutual discussions, negotiations, deliberation etc. associating representatives from both the sides and concerted efforts shall be made for reaching amicable settlement of disputes or differences.

73.2 Conciliation/Arbitration

73.2.1 It is a term of this contract that Conciliation/ Arbitration of disputes shall not be commenced unless an attempt has first been made by the parties to settle such disputes, within 120 days of submission of monthly statement of such claim, through mutual settlement.

73.2.2 The demand for Conciliation or Arbitration shall specify the matters which are in question, or subject of the dispute or difference as also the amount of claim item wise. Only such dispute(s) or difference(s) in respect of which the demand has been made, together with counter claims or set off, given by the Employer, shall be referred to Conciliation or Arbitration and other matters shall not be included in the reference.

Further, except in cases of criminal negligence or willful misconduct, notwithstanding any provision in this contract to the contrary, parties aggregate liability for all losses, claims or damages arising out of, under or in connection with this contract, its performances or breach (excluding claims for an indemnity and costs under clause 21 and sub-clause 62.2) whether such liability arises in contract, tort (including negligence) or otherwise shall not exceed 5% (five percent) of the final contract value (as amended by any supplement).



73.2.3 **Place of Conciliation/ Arbitration:**

The conciliation/ arbitration proceedings shall be held at a place mutually decided by the parties and in case of any disagreement of the parties, it shall be decided by Conciliator/ Sole Arbitrator / Arbitration Tribunal with due regard to the circumstances of the case and convenience of the parties.

73.2.4 **No suspension of work**

The Obligations of the Employer, the Engineer and the Contractor shall not be altered by reasons of conciliation / arbitration being conducted during the progress of works. Neither party shall be entitled to suspend the work on account of conciliation/ arbitration and payments to the Contractor shall continue to be made in terms of the contract.

73.3 **Conciliation**

In the event of failure to resolve any dispute or difference between the parties hereto as to the construction or operation of this contract, or the respective rights and liabilities of the parties on any matter in question, dispute or difference on any account or as to the withholding by the Employer of any certificate to which the contractor may claim to be entitled to, through mutual settlement, the Contractor may refer such matters to the Chairman and Managing Director of the Employer in writing within 60 days from the date of failure of amicable settlement of such disputes or differences for settlement through Conciliation.

73.3.1 Chairman and Managing Director of the Employer will appoint a conciliator on receipt of a written and valid demand for conciliation.

The entire process of appointment of Conciliator and communicating to the parties in writing shall be completed within 60 days from the date of receipt of written and valid demand for conciliation.



GENERAL CONDITIONS OF CONTRACT

73.3.2 The Conciliation process shall be assumed to have commenced from the day when a written and valid demand for conciliation is received by the Employer.

73.3.3 The conciliator shall assist the parties for settlement of the dispute. If it appears that there exist elements of settlement between parties, the conciliator shall formulate the terms of a possible settlement and submit to the parties for their observations. On receipt of observations of parties, the conciliator shall reformulate and draw the terms of final settlement and sign written conciliation settlement.

73.4 Arbitration

If the efforts to resolve all or any of the disputes through **Conciliation** fail, the party may refer to the Chairman and Managing Director of the Employer for settlement of such disputes or differences through **Arbitration**.

73.4.1 No disputes or differences shall be referred to Arbitration after expiry of 60 days from the date of notification of the failure of Conciliation.

73.4.2 The Arbitration proceeding shall be assumed to have commenced from the day, a written and valid demand for arbitration is received in the office of Chairman and Managing Director of the Employer.

73.5 **Sole Arbitrator:**

In cases where the total value of all claims added together does not exceed ₹.25.00 Crore (Rupees Twenty Five Crores), the Arbitral tribunal shall consist of a sole arbitrator who shall be appointed by the Chairman and Managing Director of the Employer.

73.5.1 For this purpose, the Employer will send a panel of at least three (3) names to the contractor, within 60 days from the day when a written and valid demand for arbitration is received in the office of the Chairman and Managing Director of the Employer. Contractor shall suggest to the



GENERAL CONDITIONS OF CONTRACT

Chairman and Managing Director of the Employer one (1) name out of the given panel for appointment as sole arbitrator within 15 days from the date of receipt of the panel from Employer. The Chairman and Managing Director of the Employer shall appoint the Sole Arbitrator within 15 days from the receipt of the name as suggested by the contractor.

73.6 Arbitration Tribunal:

In cases where the total value of all claims added together exceeds ₹25.00 Crore, the Arbitral Tribunal shall consist of a panel of three arbitrator.

73.6.1 For this purpose, the Employer will send a panel of at least three (3) names to the contractor, within 60 days from the day when a written and valid demand for arbitration is received in the office of Chairman and Managing Director of the Employer. Contractor shall suggest and communicate in writing to the Chairman and Managing Director of the Employer one (1) name out of the given panel for appointment as contractor's nominee within 15 days from the date of receipt of the panel from the Employer. The Chairman and Managing Director of the Employer shall appoint the contractor's nominee arbitrator as per the name suggested by the contractor and will, also simultaneously appoint the balance number of arbitrators from outside the panel sent to the contractor duly indicating the 'presiding arbitrator' from amongst the three (3) arbitrators so appointed. The Chairman and Managing Director of the Employer shall complete this exercise of appointing the Arbitral Tribunal within 15 days from the receipt of the name of contractor's nominee.

73.7 The minimum qualifications of Conciliator/ Arbitrator

73.7.1 "The minimum qualifications of Conciliator/Sole Arbitrator shall be graduate engineer. In case of the Arbitral Tribunal one of the members shall be graduate with finance background and balance shall be graduate engineer. He/ they will possess minimum of 20 years service experience in Central Government/ State



GENERAL CONDITIONS OF CONTRACT

Government/ CPSEs. Also, he/ they should not have associated with the contract to which the dispute pertains"

- 73.7.2 The Conciliator shall be a working/ retired person whereas the Arbitrator shall be retired person.
- 73.7.3 If the Conciliator/ Sole Arbitrator of any one or more of the arbitrator from Arbitration Tribunal appointed as above refuses to act as the Conciliator/ Sole Arbitrator / Arbitrator, withdraws from his office as conciliator / arbitrator or vacates his/their office/offices or is/are unable or unwilling to perform his functions as conciliator/ arbitrator for any reason whatsoever or dies or in the opinion of the Chairman and Managing Director of the Employer fails to act without undue delay, the Chairman and Managing Director of the Employer shall appoint new conciliator/ arbitrator/ arbitrators to act in his/their place in the same manner in which the earlier conciliator/ arbitrator(s) had been appointed. Such re-appointed conciliator/ arbitrator(s) may, at its discretion, proceed with the reference from the stage at which it was left by the previous conciliator/ arbitrator(s).
- 73.8 Where the arbitral award is for the payment of money, no interest shall be payable on whole or any part of the money for any period till the date on which the award is made. However, in event of award of any claim in favour of any party the rate shall be restricted to simple interest @8% per annum from the date of award till payment.
- 73.9 The cost of conciliation/ arbitration shall be borne by the respective parties. The cost shall inter-alia include fee of the Conciliator/ Arbitrator(s) as per the scales fixed by IRCON from time to time and the fee shall be borne equally by both the parties. The fees and expenses of the Conciliation / Arbitration shall be governed by the fees structure as approved by the Employer from time to time.



73.10 **Settlement through Court**

It is a term of this contract that either parties shall not approach any Court of Law for settlement of their disputes or differences unless an attempt has first been made by the parties to settle such disputes or differences through clauses 73.1 and 73.2.

73.11 The Conciliation and Arbitration proceedings shall be governed by the provisions of the Arbitration and Conciliation Act 1996 as amended by Arbitration and Conciliation (Amendment) Act 2015, or any statutory modification or re-enactment thereof and the rules made thereunder and for the time being in force.

73.12 The language of proceedings, documents or communications shall be in English and the award shall be made in English in writing.

73.13 **Award to be final and binding on all parties**

An arbitral award shall be final and binding to parties.

73.14 **Exception:**

For settlement of disputes with central PSUs, the procedure as per existing orders of Permanent Machinery for Arbitration (PMA), Bureau of Public Enterprises, Govt. of India shall be followed.

73.15 **JURISDICTION OF COURTS:**

Jurisdiction of courts for dispute resolution shall be New Delhi



GENERAL CONDITIONS OF CONTRACT

ANNEXURE-I

(Ref. Sub-clause no.: 12.5 of General Conditions of Contract)

FORM OF AGREEMENT

(To be executed on requisite value of stamp Papers)

AGREEMENT

THIS AGREEMENT made on _____ day of _____
(Month/year) between **Ircon International Limited**, acting
through _____ (Project Head and name/address of the
Project.....) (hereinafter called "the
Employer/Engineer") of the one part and
_____ (name and
address of the Contractor) (hereinafter called "the
Contractor") of the other part.

WHEREAS the Employer is desirous that work of
"....."
"....." should be executed by the
Contractor viz. **Contract No.** _____
(hereinafter called "the Works", and has accepted a Bid by the
Contractor for the execution and completion of such Works and
the remedying of any defects therein.

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement:
 - a) Letter of Acceptance of Tender
 - b) Notice Inviting Tender
 - c) Instructions to the Tenderers
 - d) Appendix to Tender
 - e) Form of Bid
 - f) Special Conditions of the Contract
 - g) General Conditions of Contract
 - h) Particular Technical Specifications
 - i) General Technical Specifications
 - j) Relevant codes and Standards
 - k) Drawings
 - l) Bill of Quantities



GENERAL CONDITIONS OF CONTRACT

3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the works and the remedying of defects therein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement executed the day and year first before written.

(Name, Designation and address of the authorised signatory)

Signed for and on behalf of the Contractor in the presence of:

Witness:

1.

2.

(Name, Designation and address of the authorised signatory)

Signed for and on behalf of the Employer in the presence of:

Witness:

1.

2.

Name and address of the witnesses to be indicated.



GENERAL CONDITIONS OF CONTRACT

ANNEXURE-II

(to be executed on a non-judicial stamp paper of ₹100/- only)

PERFORMANCE BANK GUARANTEE (UNCONDITIONAL)

To
IRCON INTERNATIONAL LIMITED,

[Acting through _____ (Project
Incharge) & Address of the Project]

WHEREAS _____ [name and address of Contractor]
(hereinafter called "the Contractor") has undertaken, in
pursuance of Contract No. _____ dated _____
to execute the work of "....."
..... " (hereinafter called "the Contract.");

AND WHEREAS it has been stipulated by you in the said Contract
that the Contractor shall furnish you with a Bank Guarantee by
a scheduled bank for the sum specified therein as security for
compliance with his obligations in accordance with the
Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank
Guarantee;

NOW THEREFORE we hereby affirm that we are the Guarantor and
responsible to you, on behalf of the Contractor, up to a total
of _____ [amount of Guarantee],
_____ [amount in
words], such sum being payable in the types and proportions of
currencies in which the Contract Price is payable, and we
undertake to pay you, upon your first written demand and
without cavil or argument, any sum or sums within the limits
of _____ [amount of Guarantee] as aforesaid without
your needing to prove or to show grounds or reasons for your
demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt
from the Contractor before presenting us with the demand.



GENERAL CONDITIONS OF CONTRACT

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed there under or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid upto _____ (a date 60 days from the date of completion of the work).

We, the _____ Bank further agree that this guarantee shall be invokable at our place of business at New Delhi/NCR/Project HQ (Indicate detail address of branch with Code No.)*. The branch at New Delhi/NCR/Project HQ is being advised accordingly.

This Bank Guarantee shall be operative only if it is accompanied by a separate advice sent by _____ (Name of Issuing Bank, with address) on _____ (Name of Employer's Bank, with address) IFS Code _____ through Structured Financial Messaging System (SFMS) and authenticated by the Employer's Bank.

SIGNATURE AND SEAL OF THE GUARANTOR

Name of Bank: _____
Address: _____
Date: _____

*The Bank should indicate detailed address of New Delhi/NCR/Project HQ branch along with its Code No.



ANNEXURE-III

(to be executed on a non-judicial stamp paper of ₹100/- only)

BANK GUARANTEE FOR RELEASE OF 50% OF RETENTION MONEY

To

IRCON INTERNATIONAL LIMITED,

[Acting through _____ (Project
Incharge) & Address of the Project]

WHEREAS _____ [name and address of
contractor*] (hereinafter called "the Contractor") has
undertaken, in pursuance of Contract No. _____
dated _____ to execute the work of
"_____
_____ " [name of Contract and brief
description of work] (hereinafter called "the Contract.");

AND WHEREAS it has been agreed by you in the said Contract
that the Contractor has option to get release 50% of the
Retention Money against un-conditional Bank Guarantee from a
Scheduled Bank acceptable to you as security for compliance
with Contractor's obligation in accordance with the contract
(Sub clause _____).

AND WHEREAS the Contractor has opted to get released the 50%
of the retention money against an unconditional Bank
Guarantee;

NOW THEREFORE we hereby affirm that we are the Guarantor and
responsible to you, on behalf of the Contractor, up to a total of
_____ [amount of Guarantee], _____
[amount in words], such sum being payable in the types and
proportions of currencies in which the Contract Price is
payable, and we undertake to pay you, upon your first written
demand and without cavil or argument, any sum or sums within
the limits of _____ [amount of Guarantee] as aforesaid
without your needing to prove or to show grounds or reasons for
your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the
Contractor before presenting us with the demand.



GENERAL CONDITIONS OF CONTRACT

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid upto _____ (till the Ircon International Limited certifies repayment of retention money in accordance with Sub-clause 8.5 of General Conditions of Contract).

We, the _____ Bank further agree that this guarantee shall be invokable at our place of business at New Delhi/NCR/Project HQ (Indicate detail address of branch with Code No.)*. The branch at New Delhi/NCR/Project HQ is being advised accordingly.

This Bank Guarantee shall be operative only if it is accompanied by a separate advice sent by ----- (Name of Issuing Bank, with address) on ----- (Name of Employer's Bank, with address) IFS Code ----- through Structured Financial Messaging System (SFMS) and authenticated by the Employer's Bank.

SIGNATURE AND SEAL OF THE GUARANTOR

Name of Bank : _____
Address : _____
Date : _____

*The Bank should indicate detailed address of New Delhi/NCR/Project HQ branch along with its Code No.

