

NEELACHAL ISPAT NIGAM LIMITED

Kalinga Nagar Industrial Complex, Duburi – 755026

GENERAL CONDITIONS OF CONTRACT (GCC)

SCHEDULE – I

1.1.0 DEFINITION

The following words and expressions as used hereinafter/defined, shall have the meaning hereof assigned to them except where the contract otherwise requires:

- 1.1.1 'NINL' mean Neelachal Ispat Nigam Limited and its different functionaries entrusted with the responsibilities in relation to the contract in respect of the area of responsibilities of such functionaries.
- 1.1.2 "Contractor" shall mean the Tenderer whose tender has been accepted by the Company (NINL) and on whom the contract /work order is placed by NINL and shall include his heirs, legal representatives, successors and permitted assignees.
- 1.1.3 "Contract" shall mean and include the contract/Work order between the NINL and the contractor duly signed by the parties thereto, for the execution of the works together with all documents annexed/attached therewith.

SCHEDULE – 2

2.1.0 SCOPE OF WORK :

- 2.1.1 The work shall be executed strictly in accordance with the specifications, Bill of items/ quantities/ rates/sketches/drawings and written and oral instruction (to be subsequently confirmed in writing) of NINL
- 2.1.2 In the event of any discrepancy between drawings and specifications, drawings will supersede the specifications. Description of relevant items of the schedule of quantities and rates will supersede the drawings, specifications and any other details.

2.2.0 FACILITIES TO BE PROVIDED BY THE PURCHASER

- 2.2.1 Required free issue materials if any will be supplied free of cost by the purchaser at his store within the plant premises. However the transportation of the same shall be arranged by agency at their cost.
- 2.2.2 No specific arrangement shall be made by the purchaser for supply of electricity for this work. However, contractor can tap electricity from any nearby available supply source with due permission of the purchaser.
- 2.2.3 No specific arrangement shall be made by the purchaser for supply of water for this work. However, contractor can tap water from any nearby available supply source with due permission of the purchaser.
- 2.2.4 Only layout / design drawings as applicable shall be issued by the purchaser. Contractor shall develop total working drawings as applicable for execution of the contract.

2.3.0 OBLIGATION OF THE CONTRACTOR:

- 2.3.1 The contractor will supply all materials except free issue material required if any for execution of this work.
- 2.3.2 The contractor shall make arrangements for all the equipments, machineries, batching/mixing plants, welding machines, gas cutting sets, and all other tools and tackles, cranes etc. required for satisfactory completion of the work.

- 2.3.3 The contractor shall prepare material indents, working drawings, as built drawings etc as per purchaser's requirements.
 - 2.3.4 The contractor shall make own arrangements for transportation of free issue materials from purchaser's store to the place of work.
 - 2.3.5 The contractor shall be fully responsible for custody of all free issue materials & shall use the materials economically, return the excess /scrap materials at purchaser's store & maintain stock register for the same.
 - 2.3.6 The contractor shall depute experienced personnel for supervising the work.
 - 2.3.7 The contractor shall take utmost care in protecting / safe-guarding the existing facilities of the purchaser.
 - 2.3.8 The contractor shall follow all the statutory obligations and safety rules as applicable. A certificate regarding compliance of safety rules to be forwarded by the contractor along with RA bills.
 - 2.3.9 The contractor shall defend / indemnity / keep NINL harmless of /from all claims of liabilities caused due to negligence of contractor during work.
 - 2.3.10 The executing agency shall make necessary arrangements to test the materials & submit the test reports to purchaser, as per purchaser's requirements without any extra cost to the purchaser.
 - 2.3.11 The contractor shall execute the work strictly as per specification, drawings, IS CODES, other standards issued by the purchaser.
 - 2.3.12 The contractor shall make own arrangements for approach roads / access etc. to the fabrication / erection sites.
 - 2.3.13 The contractor shall handover the site in a neat and tidy condition as acceptable to the purchaser.
- 2.4.0 TECHNICAL SPECIFICATION:**
- 2.4.1 Technical specification for this works prepared by NINL shall be followed and binding by the contractor.
 - 2.4.2 Executing agency shall carry out all the works strictly as per the specification & instruction of the site Engineer.

SCHEDULE – 3

3.0 CONTRACT PRICE

3.1 BASIS OF CONTRACT PRICE

The contract price to be paid in consideration of the work and services to be executed/made/performed by the CONTRACTOR as per Bill of quantities and in accordance with all terms, conditions, stipulations, specifications and any other obligations to be met by the CONTRACTOR under the Contract will be arrived at based on the estimated quantities and rate as stated in Bill of Quantities and rates of this contract.

3.2 FIRM RATES

Unit rate of all the items shall remain firm, fixed and binding on the CONTRACTOR till the completion of entire scope of work and shall not be subjected to any variation except for the statutory variations in the taxes and duties as specified in schedules. Unit rates shall also remain firm irrespective of any variation in quantities stated therein.

Quantity variation in particular item of BOQ shall be allowed upto +/-5% with firm rate as above. However, total contract price shall be remain same.

3.3 RATES FOR EXTRA ITEMS

Should it be found necessary to execute any item of work which is not included in the schedule of items and as such no contract rate is available, the rates for such items of work shall be fixed as per the following procedure.

- i) Where the extra works are of similar nature as to any item of work appearing in "Bill of Quantities and Rates" then the rates for such extra items shall be derived from contract rates of similar / closest item of work.
- ii) Where the nature of extra item is such that the rate for the same cannot be derived as per (i) above, then the rates for extra item of work shall be derived by rate analysis based on the market rates.
- iii) Where rates for extra item of work can not be established by methods (i) or (ii) above, then the rate for such item shall be estimated and fixed by the ENGINEER based on the market rates & assessment for labour, materials & other factors.

SCHEDULE – 4

4.0 TIME SCHEDULE

4.1 TIME SCHEDULE / COMPLETION MILESTONE

4.1.1. The work shall be completed in all respects and handed over to NINL according to the stipulated time schedule.

4.2. EXTENSION OF TIME

4.2.1. The CONTRACTOR shall not be allowed any extension, of time for completion except in the following cases :

- i) Force majeure – As per details stated in the clause 6.2.
- ii) Major changes or substantial addition to work ordered by the NINL adversely affecting the completion time.
- iii) Any other circumstance of kind whatsoever which may occur making the CONTRACTOR entitled to an extension of time which, however, shall be in the absolute discretion of the NINL.

4.2.2. The CONTRACTOR upon happening of any such event as stated above shall immediately give notice but nevertheless use constantly his best endeavors to prevent or make good the delay and shall do all that may be reasonably required to the satisfaction of the NINL to proceed with the work.

4.2.3. Request for extension of time shall be submitted by the CONTRACTOR in writing and NINL, based on the merit, shall consider the request and convey his decision to the CONTRACTOR in writing within a reasonable time.

4.2.4. The CONTRACTOR shall not be eligible for any extension of time on account of any delay in procurement of materials/equipments stipulated in scope of the contractor

4.3 COMPLETION.

The work shall be deemed to be completed when upon notice by the CONTRACTOR, NINL has inspected the works and satisfied himself that the works have been fully completed in accordance with the contract and necessary completion certificate have been issued to the CONTRACTOR subject to the provision made in clause 6.4.

4.4 PART OCCUPATION

The purchaser shall have the right to take possession of or use any completed or partially completed part of the work at any time. Such possession or use shall not be deemed to be completion or acceptance of any work not done in accordance with the contract subject to the provision made in clause 6.4.

SCHEDULE – 5

5.0 TAXES AND DUTIES

All taxes including Work Contract tax, duties, levies, fees or other charges legally leviable on the CONTRACTOR in connection with the contract shall be borne and paid by the CONTRACTOR.

- 5.1 Purchaser shall bear no liability in respect of any taxes, duties and levies, whatsoever.
- 5.2 INCOME TAX / Works contract Tax (sales tax) which the Purchaser may be required to deduct by law/statute, shall be deducted at source and shall be paid to the Income Tax / Sales Tax / Statutory authorities on account of the contractor. Purchaser shall provide the contractor a certificate for such deduction and deposit thereof.
- 5.3 ROYALTIES
Royalties for construction materials wherever applicable may be deducted by the purchaser from Contractor's bills for depositing with the concerned State Government authorities unless receipt in support of payment made to the concerned state Government authorities is provided by the CONTRACTOR.
- 5.4 The contractor shall produce necessary documentary evidence as may be called for by Purchaser in respect of the taxes, duties and levies paid by the CONTRACTOR.

SCHEDULE – 6

6.0 OTHER TERMS AND CONDITIONS OF CONTRACT

6.1 TERMINATION AND SUSPENSION AND FORECLOSURE

- 6.1.1 The purchaser may at any time on breach of this Contract by the CONTRACTOR give him, a written notice of such breach. If the CONTRACTOR does not remedy this breach within a period of 7 days after receiving the notice, then the purchaser may terminate the contract at any time thereafter. The CONTRACTOR shall be liable to refund any money which he is obliged to do so under the Contract.
- 6.1.2 The CONTRACTOR shall stop the performance of the Contract from the effective date of termination and hand over all the drawings, documents, plant, equipments, supplied materials etc. including transfer of all the rights of work to the Purchaser. No consequential damages shall be payable by the Purchaser to the CONTRACTOR in the event of termination.
- 6.1.3 The purchaser may suspend the work in whole or in part at any time by giving CONTRACTOR a notice in writing of such effect stating the nature, the date and the anticipated duration of such suspension.
- 6.1.4 On receiving the notice of suspension as per Clause 6.1.3 from the Purchaser, the contractor will suspend the work desired to be suspended, with immediate effect. The CONTRACTOR shall continue to perform other work in terms of the Contract, which the purchaser has not suspended. CONTRACTOR shall protect and secure the suspended work as considered necessary in the opinion of the ENGINEER.
- 6.1.5 The Purchaser may at any time cancel the suspension notice for all or any of suspended work by giving written notice to the CONTRACTOR specifying the part of work to be resumed and the effective date of withdrawal of suspension. The CONTRACTOR shall resume the suspended work as expeditiously as possible after receipt of such notice of suspension-withdrawal.

- 6.1.6 In the event of suspension of work, the Purchaser will not be liable to pay to the CONTRACTOR for any damage or loss for idle labour caused by such period of suspension of work. The purchaser shall not be liable to Contractor for any payment towards watch and ward and other expenditures.
- 6.1.7 The contract shall be terminated if due to any unforeseen circumstances which may lead to the foreclosure of the works for reasons such as resource crunch, non-availability of funds, and for other administrative reasons etc.
- 6.1.8 Contractor will be compensated only for the quantum of work/services he has rendered till effective date of foreclosure. Any other claims like compensation for loss in profit, compensation for loss of reputation etc. or any other consequential damages claimed by the Contractor will not be given by the Purchaser.

6.2 FORCE MAJEURE

- 6.2.1. Time being essence of the contract, if at any time during the continuance of the Contract, the performance in whole or in part by either party, or any obligations under the contract shall be prevented or delayed by reason of any war, hostilities, acts of public, enemy, civil commotion, sabotages, fire, floods, explosions, epidemics, quarantine restrictions, or other Acts of God, strikes and legal lockouts (hereinafter referred to as "Eventualities") then provided notice to the happening of any such eventualities is given by either party to the other within 15 days from the date of occurrence thereof, neither party shall by reason of such eventualities be entitled to terminate this contract nor shall either party have any claim for damages against the other in respect of such performance or delay in performance and deliveries under this contract shall be resumed as soon as practicable after such eventualities has come to an end or ceased to exist and the decision of the Purchaser as to whether the deliveries / services have been so resumed shall be final and conclusive. Contractor shall himself handle all labour unrest situations and illegal strikes but lockouts arising from such situations shall not come under the purview of this clause.
- 6.2.2. Should one or both the parties be prevented from fulfilling their contractual obligations by a state of force majeure lasting continuously for a period of at least three months, the two parties should consult each other provided always that if no mutually satisfactory arrangement is arrived at within a period of a month, from the expiry of three months referred above, the above mentioned expiry of the contract will imply that both the parties have obligation to reach an agreement regarding the winding up and final settlement of the Contract.

6.3 ARBITRATION

- 6.3.1 All disputes or differences, whatsoever, arising between the parties out of or in relation to the construction, meaning and operation or effect of this contract or breach there of shall be settled amicably. If, however, the parties are not able to resolve them amicably, the decision of MD (NINL) will be treated as final and binding on the contractors.

6.4 COMPLETION CERTIFICATE

- 6.4.1. After completion of the total work duly certified by the NINL Engineer Within 10 days (ten) of the completion of the work, the CONTRACTOR shall give notice of such completion to the Purchaser and the Purchaser shall inspect the work and after satisfying himself with tests that may be prescribed in the contract, if there is no defect, imperfection or short fall in the work, shall issue a completion certificate to the CONTRACTOR.
- 6.4.2. No completion certificate or provisional completion certificate shall be issued nor shall the work be considered to be complete until the CONTRACTOR shall have removed from the site all scaffolding, surplus materials, rubbish, etc. and all temporary works and cleaned off the dirt from wood work, doors, windows, walls, floors, or other parts of the work.

6.5 RIGHTS OF PURCHASER TO VARY OR CANCEL THE CONTRACT.

- 6.5.1 The purchaser shall have the right, during the performance of the contract, to make any addition to, alteration in and omission from the works or any alterations in the kind or quality

of the materials to be used therein or change the levels, lines, position and dimension of any part of the work and shall give notice thereof in writing to the CONTRACTOR. The CONTRACTOR on receipt of such instruction in writing shall carry out the changes as desired. Such variations shall in no way vitiate or invalidate the contract.

- 6.5.2 The CONTRACTOR shall not change any works to be made pursuant to the contract except as may become obligations under the contract, provided however that such changes shall be subject to prior written approval of the Purchaser.
- 6.5.3 The CONTRACTOR shall proceed with the changes as requested, as per Clause 6.5.1 pending settlement of rates for extra items, if such changes require execution of any items of work not included in the schedule of items.
- 6.5.4 The Purchaser shall have further power to cancel the Contract if the CONTRACTOR fails to duly perform and complete the contract and if it appears for valid reasons that he will fail to fulfill his obligations under the Contract for reasons other than those reliving of his responsibility under any other provision of the Contract.
- 6.6 COMPLIANCE WITH STATUTORY LAWS AND OTHER REGULATIONS.
 - 6.6.1 The CONTRACTOR shall throughout the performance of the Contract comply with all the laws, rules, regulations and statutory requirements/obligations of Government of India / State Government of Orissa and other statutory bodies applicable at site for the contract work and the Purchaser shall not be liable for any action of the statute applicable due to non-fulfillment of the statutory obligations by the CONTRACTOR.
 - 6.6.2 All contracts or terms thereof entered between the Purchaser and the Contractor shall be governed and regulated by the relevant laws in force in the territory of India relating to contracts.
 - 6.6.3 Explosives shall not be used on the work by the CONTRACTOR without the permission in writing of the Purchaser. Where explosives are used, the same shall be stored in a special magazine to be provided by and at the cost of the CONTRACTOR, who shall be liable for all damages, loss or injury to any person or property and shall be responsible for complying with all statutory obligations in these respects.
 - 6.6.4 The CONTRACTOR shall give all notices and pay all fee required to be given or paid under any Central or State statute, ordinance or other law or any regulation or bylaw of any local or other duly constituted authority in relation to the execution of the Contract work.
 - 6.6.5 The CONTRACTOR shall conform in all respects with the provisions of any statute, ordinance or laws as aforesaid and the rules, regulations or by-laws of any local or other duly constituted authority which may be applicable to the works or to any temporary works and with such rules and works or to any temporary works and with such rules and regulations of Public bodies as aforesaid and shall keep the Purchaser indemnified against all penalties and liabilities of every kind for breach of any such statute, ordinance, law, rule, regulation or by-law.
 - 6.6.6 All operations necessary for the execution of the works and for construction of any temporary works shall be undertaken in such a way that same do not interfere unnecessarily or improperly with the public convenience or the access to use and occupation of public or private roads and footpaths or properties whether in the possession of the Purchaser or any other person and the CONTRACTOR shall save harmless and indemnify the Purchaser in respect of all claims, demands, proceedings, damages, costs, charges and expenses, whatsoever arising out of or in relation to any such matters.
 - 6.6.7 The CONTRACTOR shall use every reasonable means to prevent any of the roads and bridges communicating with or on the routes to the SITE from being damaged or injured by any traffic of the CONTRACTOR or any of his Sub-Contractor. For any damage caused by the breach hereof, the CONTRACTOR shall be solely responsible.
 - 6.6.8 The CONTRACTOR must take sufficient care in moving his construction plants and equipments from one place to another so that those may not cause any damage to the property of the Purchaser, particularly to the overhead and underground services and in the

event of his failure to do so, the cost of such damages including eventual loss of working hours in any plant/site as estimated by the Purchaser is to be born by the CONTRACTOR.

- 6.6.9 The CONTRACTOR shall get himself registered with the concerned authorities as provided under various applicable Acts and shall be directly responsible to such authorities for compliance with the provisions thereof.
- 6.6.10 By way of illustration of various Acts as stated in the contract, the following Acts or any amendment thereof shall be complied with by the CONTRACTOR.
- i) Employee Provident Fund Act. 1952
 - ii) Contract Labour Act (Regulation and abolition Act., 1970)
 - iii) Minimum wages Act, 1948
 - iv) Payment of wages Act, 1936
 - v) Payment of Bonus Act., 1965
 - vi) ESI Act, 1948
 - vii) Factories Act., 1948
 - viii) Apprenticeship Act., 1961.
 - ix) Employees Provident Fund and family pension Act., 1952.
 - x) All other statutory provisions related to contract labour.
- 6.6.11 The CONTRACTOR's establishment shall be subjected to inspection, investigation etc., by the purchaser for ensuring proper and faithful compliance of the provisions of this contract by the CONTRACTOR with regard to labour laws and matters stated in the contract.
- 6.6.12 The CONTRACTOR shall provide at his cost to all staff and workers directly or indirectly employed in the works, all amenities for securing proper working and living conditions at the site and at the labour camp. The CONTRACTOR shall also provide medical facilities at the site as per rules in force in relation to strength of their staff and workmen deployed at site.
- 6.7 SAFETY AND SECURITY:
- 6.7.1 The contractors shall take all safety precautions and provide adequate supervision in order to do the job safely and without damage to equipment.
- 6.7.2 The contractor is not permitted to start the job without reporting to the Safety Engineering & obtaining safety clearance.
- 6.7.3 The execution department would take necessary shut-downs wherever there are hazards of gases, electricity, moving machinery etc. The contractor shall ensure that the shut-down / clearance are taken before sending workers to such locations.
- 6.7.4 In case of accidents occurred and injury to the persons, the contractor shall first take the injured person to Plant Medical Unit with the I.O.W Forms and the contractor should inform it to the Engineer-in-charge of the shop immediately.
- 6.7.5 The contractor shall abide by the provisions of Factories Act, Orissa Factories Rules.
- 6.7.6 Whenever work at height is involved, contractor must obtain height passes from Safety Engineering Dept. for those persons required to do work at height.
- 6.7.7 The concerned officer of the department awarding the contract or the Safety Engg. Department upon his satisfaction that the stoppage of work and require the contractor to remedy the defects or supply the commissions as the case may be. The contractor shall not proceed with the work until he has complied with such directions to the satisfactions of such head of the department.
- 6.7.8 The contractor shall be fully responsible for accidents caused due to his or his agent's or workmen's negligence or carelessness In regard to the observance of the safety requirements and shall be liable to pay compensation for Injuries.
- 6.7.9 Without prejudice to the right conferred by the clause 6.7.7 above for stoppages of work for violating of. safety requirements, the contractor shall be liable for a penalty up to Rs. 500/-

(Rupees five hundred only) for the first violation up to Rs.10,000/-(Rupees ten thousand only) for the second violation. For the 3rd violation, he shall be liable to be debarred from further contracts. The penalty amount shall be recoverable from any bill and/ or EMD / SD or the contractor without any further reference to him. The CONTRACTOR shall adopt adequate safety measures and ensure use of protective clothing by all the workmen at site whether or not engaged in actual execution of work or supervision thereof as per requirement.

- 6.7.10 The CONTRACTOR shall ensure that the workmen at work use safety belts, gloves, helmets, masks, etc. necessary for their safety. The CONTRACTOR shall be responsible for safety arrangements of all equipments used in connection with execution of the work and shall ensure employment of only trained operators to man the equipments. Only tested equipments, tools, wires, ropes, etc. shall be used and shall periodically be tested to the satisfaction of the Company. All test certificate shall be made available to the Company at site as and when required by him.
- 6.7.11 The CONTRACTOR shall, in connection with the execution of the work, ensure provision and maintenance at his own cost all lights, guards, fencing with gates and watching when and where necessary or required by the client or by any duly constituted authority for the protection of work and/or for the safety and convenience of the public or others.
- 6.7.12 The CONTRACTOR shall take adequate safety precautions for prevention of accidents at site. The CONTRACTOR shall also ensure that their employees / workmen observe the statutory safety rules and regulations as also those laid down by the Company from time to time.
- 6.7.13 The CONTRACTOR shall provide at his cost necessary watch and ward force as may be approved by the company to ensure security and safety of all buildings, structures, equipments and materials under their custody at the site of work.
- 6.7.14 The CONTRACTOR shall abide by all security regulations at site promulgated by the Company from time to time. If required the CONTRACTOR shall provide identity badges to their personnel and workmen which must be properly displayed by them at site.
- 6.7.15 In order to facilitate issue of gate passes by the Purchaser for materials and equipments either during execution or the maintenance period, the CONTRACTOR shall submit to the Company list of construction / erection equipments etc. and / or other materials that shall be taken inside the site from time to time. Such movement of materials, equipment, tools, tackles, etc. shall be subject to permission of the company.
- 6.7.16 The CONTRACTOR and his personnel and workmen shall be subjected to security check by Company's own security force for the over-all protection of the site.
- 6.7.17 If the contractor fails to provide necessary safety items to their workmen, NINL may provide the safety items to the workmen and deduct the actual expenses from the contractor's bill.
- 6.8 If offloading is required, the same shall be done on request of the contractor provided that NINL approves the suggested agency.