



कोचीन शिपयार्ड लिमिटेड

(भारत सरकार की श्रेणी-1 मिनिरातन कंपनी, पोत परिवहन मंत्रालय)

COCHIN SHIPYARD LIMITED

(A Government of India Category-1 Miniratna Company, Ministry of Shipping)

सिविल इंजीनियरिंग विभाग CIVIL ENGINEERING DEPARTMENT

अनुबंध की सामान्य शर्तें
एवं
निविदाकारों के लिए अनुदेश
GENERAL CONDITIONS OF CONTRACT
&
INSTRUCTIONS TO TENDERERS

COCHIN SHIPYARD LIMITED

COCHIN -682015



CIVIL ENGINEERING DEPARTMENT

**GENERAL CONDITIONS OF CONTRACT
&
INSTRUCTIONS TO TENDERERS**

GLOSSARY OF TERMS

AGM	Assistant General Manager
AMC	Annual Maintenance Contract.
BG	Bank Guarantee.
BIS	Beauro of Indian Standards.
BOQ	Bill Of Quantities.
C&MD	Chairman and Managing Director
CISF	Central Industrial Security Force.
CP &OH	Contractors Profit and Over Head.
CPWD	Central Public Works Department.
CSL	Cochin Shipyard Limited.
CTE	Chief Technical Examiner.
CVC	Chief Vigilance Commissioner
DGM	Deputy General Manager
DOP	Delegation of Powers.
EIC	Engineer- In-Charge.
EMD	Earnest Money Deposit.
EOI	Expressions of Interest.
EPC	Engineering Procurement & Construction.
ESI/PF	Employees State Insurance/ Provident Fund.
FDR	Fixed Deposit Receipt.
GM	General Manager
GRIHA	Green Rating for Integrated Habitat Assessment.
HOD	Head of Department.
IGBC	Indian Green Building Council.
IP	Integrity Pact
ISPS	International Ship and Port Facility Security.
IT	Income Tax
JV	Joint Venture.
L1	Lowest Bidder
LD	Liquidated Damage

MB	Measurement Book.
MoU	Memorandum of Understanding.
MSME	Micro, Small & Medium, Enterprises.
NIQ	Notice Inviting Quotation.
NIT	Notice Inviting Tender.
NIT	Notice Inviting Tender
PAC	Probable Amount of Contract.
POL	Petroleum, Oils & Lubricants
PQ	Pre-Qualification.
RTI	Right To Information
SAP	Systems, Applications & Products in data processing.
SB	Ship Building
SM	Senior Manager
SR	Ship Repair
T/S	Technical Sanction.
TA/DA	Travel Allowance/ Dearness Allowance.
TAMP	Tariff Authority for Major Ports.
TC	Tender Committee
TDS	Tax Deducted at Source.

CONTENT		
1	Details of Bidder	5
2	General Rules	6-10
3	Conditions of Contract	11-14
4	Clauses of Contract	15-54
5	Integrity Pact	55
6	Undertaking by the Contractor	56
7	Pre-Contract Integrity Pact	57-64
8	General Safety Rules	65-72
9	Instructions for taking power supply from CSL	73-74
10	Safety Code	75-81
11	Proforma of Schedules	88
12	Undertaking by the bidder	89

Details of Bidders

Name of work :-

Tender No :-

1 Name of bidder :-

2 Address of bidder :-

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3 Contact Tel number :-

4 e-mail address :-

5 PAN No :-

6 GST Reg. No :-

7 ESI/PF Reg. No :-

8 Others

Date

Signature of the bidder

COCHIN SHIPYARD LIMITED (CSL)

GENERAL RULES

1. This book of “General Conditions of Contract” which is also referred as the Standard Form is applicable to both types of tenders i.e.” Percentage rate tenders and Item rate tenders”. Accordingly, alternative provisions of the General Rules and Directions are given in this book. The appropriate alternatives will be applicable in specific cases depending on whether this is used for Percentage rate tender or Item rate tender.
2. Tender schedule, special conditions/specifications and drawings only will be issued to intending bidders and will be available in CSL websites. The GCC will not be issued along with the Tender Documents but the same can be downloaded from CSL website or can be obtained from CSL office and shall form part of the agreement to be drawn and signed by both parties after acceptance of tender. It is permissible to submit the tender without GCC, and deemed that the tenderer has read and fully understood its contents.
3. The tender/NIT will be published in CSL notice boards, CSL & Govt web sites and publication in Newspapers (selected tenders). The NIT will state the work to be carried out, as well as the date for submission and opening of tenders, the time allowed for carrying out the work. The amount of earnest money (EMD) to be deposited with the tender, the amount of the security deposit (SD), Performance guarantee (BG) to be deposited by the successful tenderer and copies of the specifications, designs and drawings, special conditions etc will be available with the tender document. The site will be open for inspection by the interested bidders during office hours in presence of Officer inviting tender after fulfilling security clearances.
4. Corrigendum/amendments to the tender will be published only in the website of CSL only and will not be published in newspapers. Interested bidders shall keep updated from websites regarding amendments to tender.
5. Deputy General Manager (Civil), Cochin Shipyard Ltd. or his duly authorized representative will open tenders as per NIT in the presence of all indenting contractor’s or their authorized representatives who are witnessing the tender opening process.
6. Cost of tender, EMD, period of work, defect liability period, free issues etc are detailed in Performa of Schedules.
7. Cochin Shipyard reserves the right to delete any part of the work from the scope of the contract or cancel the tender completely, without assigning any reason.

8. The validity period for the bid shall be 90 days and extendable for further period on mutual agreement. EMD will be released after 90 days or at an earlier date as decided by CSL based on the status of tender.
9. The contractor shall have GST, PAN, ESI/EPF registration.
10. Rates shall be quoted both in figures and words. The total amount shall be worked out in the tender schedule. Rates quoted should be in Indian Rupees in accordance with the tender schedule. GST shall be added at the end as specified in the tender. The rates quoted by bidder shall remain firm (except the eligible escalation) till completion of all works even during the extended period.
11. The rates quoted by the contractor shall be for the finished items of work including supplying appropriate materials, labour, scaffolding, equipment/tools, conveyance, unloading, handling, storing, etc all complete, unless specified otherwise in the tender schedule.
12. The tenderers are expected to have inspected the site, acquaint themselves with site conditions, labour situation, wage and benefits applicable to labourers, working hours, pass rules, safety rules, out turn of work by labour and the fluctuations which are likely to happen till the work is completed before quoting.
13. This tender is an item rate (unless otherwise specifically mentioned) and the rates should be correct, workable and self supporting. Detailed analysis of rates shall be given if demanded by CSL and shall not be bound to accept the contractor's analysis.
14. The successful tenderer is required to execute an agreement with CSL at his expense in the prescribed format in Kerala State Stamp Paper having appropriate value.
15. The acceptance of price bids will be based on the lowest total overall amount. (i.e., L1 – lowest bidder).
16. The complete set of tender documents shall be signed page wise and returned to CSL to form part of contract.
17. Discrepancy or omissions if any found in the tender schedule shall brought to the notice of the Tender Inviting Authority before offering the price bids for clarifications. Any errors in description or quantity in the tender schedule or any omission in drawings etc shall be brought to the notice of the Engineer-in-charge immediately after the issue of detailed designs and drawings for the final decision.
18. For inspecting the work site, purchasing tender documents and for depositing tender/witnessing tender opening, the contractor/ his authorized representative shall produce Govt approved photo identity proof for issue of entry pass.

19. CSL will be at liberty to extend the contract for further similar works in this area on a supplementary agreement on mutually agreed time frame if required.
20. A pre-contract integrity pact should be executed as per the format attached by the bidder for all works having value more than ₹1.00 Crores.
21. The contractor shall give a list of employees working in CSL related to him.
22. In the event of the tender being submitted by a firm, it must be signed separately by each partner thereof or in the event of the absence of any partner, it must be signed on his behalf by a person holding a power-of attorney authorizing him to do so, such power of attorney to be produced with the tender, and it must disclose that the firm is duly registered under the Indian Partnership Act, 1952.(Registration of firms under the Indian Partnership Act is not mandatory for partnership firms to carry business)
23. Experienced contractors interested in participating the tender shall download the tender from website and offer their rates and deposit the complete set of tender documents duly filled and signed in the designated tender box before the time and date specified in the tender notice.
24. No single tender shall include more than one work, but contractors who wish to tender for two or more works shall submit separate tenders for each. Tenderer shall clearly mention the tender number and name of work on the envelopes.
25. All corrections in rates shall be signed by the contractor. However, no corrections in tender other than rates will be allowed.
26. The Officer inviting tender or his authorized representative along with representatives of finance dept. will open tenders in the presence of intending bidders and the amounts, participants details etc will be recorded in the register.
27. The rates must be quoted in decimal coinage. In case the lowest tendered amount of two or more contractors becomes same, then lowest contractors may be asked to submit rebates on their quotes in sealed envelope. The lowest tender shall be decided on the basis of revised offer.

In case of further tie, sealed tenders for discounts offered by the equally tied bidders may be sought for arriving at L1 value.
28. For item rate tenders the rates of all individual items shall be quoted by the bidders and for percentage rate tender only percentage above or below shall be filled clearly in the price bid.

29. In case, rates offered by the bidder for items are unrealistic, such tender will be considered as unbalanced and if the bidder is unable to provide satisfactory explanation, such tender is liable to be disqualified and rejected.
30. GST, Income tax, workers welfare cess (for outside Industrial area) and other statutory taxes as applicable from time to time shall be payable by the contractor.
31. The tender for composite work which includes, civil works, electrical works, horticulture, mechanical etc must associate with appropriate certified agencies who are eligible for execution and certification.
32. Late tenders, tenders with conditions and conditional rebates/discounts will be summarily rejected. However tenders with unconditional rebates will be accepted.
33. The contractor shall submit a detailed time schedule of work in conformity with the completion time and milestones kept in the tender within 14 days from the date of issue of letter awarding the work. This shall be got approved by the Engineer-in-charge or revised as directed by the Engineer-in-charge.
34. On acceptance of the tender, contractor or contractors representatives (with valid authorisation) is required to report to the Engineer-in-charge for receiving instructions.
35. In case of ambiguities in the quotes by the contractor, the following procedure will be followed;

Item rate tenders:

- a. When there is a difference between the rates in figures and in words, the rates which correspond to the amounts worked out by the contractor, will be taken as correct.
- b. When the amount of an item is not worked out by the contractor or it does not correspond with the rates written either in figures or in words, then the rates quoted by the contractor in words will be taken as correct.
- c. When the rate quoted by the contractor in figures and in words tallies but the amount is not worked out correctly, the rate quoted by the contractor will be taken as correct and not the amount.
- d. In the event of NO rate has been quoted for any items, leaving space both in figures, words, and amount blank, it will be presumed that the contractor has included the cost of this/these items in other items and rate for such items will be considered as ZERO and work will be required to be executed accordingly without rates.

Percentage rate tenders

- a. The bidders are required to quote their rates both in amount as well as in the percentage below/above the rates entered in the schedule. In the event of arithmetical

error committed in working out the amount by the contractor, the tendered percentage and not the amount will be taken as correct. To avoid ambiguity the bids shall be submitted preferably typed.

E-tendering

For e-tendering rates quoted by the bidder in figures shall be taken as correct since system permits figures only.

36. Any grievance in connection with the work/Contract can be addressed to the Grievance Redressal Committee of Cochin Shipyard Ltd in the specified format. The details of Grievance Redressal Committee members can be obtained from the Engineer-in-Charge. Grievance/disputes in connection with the contract shall be first referred to the Grievance Redressal Committee before taking up with Civil Court or any other forum.
37. If any bidder requires adjustment of EMD against any amount payable to the bidder by CSL we shall furnish a request and obtain a prior written approval from Deputy General Manager (Civil). The written approval shall be kept with the tender document for acceptance of the bid.
38. If any bidder require the documents furnished earlier for consideration we shall request the same in advance and a written approval shall be obtained. The written approval shall be kept with the tender document for acceptance of the bid. However bidders are required to remit cost of tender afresh in case of retender.
39. Disputes if any in connection with the contract shall be subjected to the exclusive jurisdiction of the Courts at Kochi.
40. Telephone number of the contact person with respect to clarifications of the tender is 0484 2501737
41. Duly filled tenders shall be deposited in the Civil tender box kept at the office near North Gate Information Centre on or before the specified time and date or posted to the address given below:-

**Deputy General Manager (Civil),
Civil Engineering Department,
Cochin Shipyard Ltd.,
P.O. Bag No.1653, Perumanoor P.O.,
Kochi – 682015**

CONDITIONS OF CONTRACT

Definitions

1. The **Contract** means the documents forming the tender and acceptance thereof and the formal agreement executed between the competent authority on behalf of Chairman, CSL and the Contractor, together with the documents referred to therein including these conditions, the specifications, designs, drawings and instructions issued from time to time by the Engineer-in- Charge and all these documents taken together, shall be deemed to form one contract and shall be complementary to one another.
2. In the contract, the following expressions shall, unless the context otherwise requires, have the meanings, hereby respectively assigned to them:-
 - (i) The expression “works or work” shall, unless there be something either in the subject or context repugnant to such construction, be construed and taken to mean the works by or by virtue of the contract contracted to be executed whether temporary or permanent, and whether original, altered, substituted or additional.
 - (ii) The “Site” shall mean the land/or other places on, into or through which work is to be executed under the contract or any adjacent land, path or street through which work is to be executed under the contract or any adjacent land, path or street which may be allotted or used for the purpose of carrying out the contract.
 - (iii) The Contractor shall mean the individual, firm or company, whether incorporated or not, undertaking the works and shall include the legal personal representative of such individual or the persons composing such firm or company, or the successors of such firm or company and the legal assignees of such individual, firm or company.

- (iv) The Engineer-in-charge means the Engineer Officer who shall supervise and be in-charge of the work and who shall sign the contract on behalf of Cochin Shipyard Ltd.
- (v) Excepted Risk are risks due to riots (other than those on account of contractor's employees), war (whether declared or not) invasion, act of foreign enemies, hostilities, civil war, rebellion revolution, insurrection, military or usurped power, any acts of Government, damages from aircraft, acts of God, such as earthquake, lightening and unprecedented floods, and other causes over which the contractor has no control and accepted as such by the Accepting Authority or causes solely due to use or occupation by Government of the part of the works in respect of which a certificate of completion has been issued or a cause solely due to Government's faulty design of works.
- (vi) Market Rate shall be the rate as decided by the Engineer-in-Charge on the basis of the cost of materials and labour at the site where the work is to be executed plus the percentage to cover all overheads and profits.
- (vii) Schedules referred in these conditions shall mean the relevant schedules annexed to the tender.
- (viii) Department means CSL which invites tenders on behalf of Chairman, Cochin Shipyard Ltd.
- (ix) Tendered value means the value of the entire work as stipulated in the letter of award.
- (x) Date of commencement of work shall be the date of start as specified in the tender or the first date of handing over of the site, whichever is later, in accordance with the phasing if any, as indicated in the tender document.

Scope and Performance

- 3. Where the context so requires, words imparting the singular only also include the plural and vice versa. Any reference to masculine gender shall whenever required include feminine gender and vice versa.
- 4. Headings and Marginal notes to these General Conditions of Contract shall not be deemed to form part thereof or be taken into consideration in the interpretation or construction thereof or of the contract.
- 5. The contractor shall be furnished, free of cost one certified copy of the contract documents except standard specifications, Schedule of Rates and such other printed and published documents, together with all drawings as may be forming part of the

tender papers. None of these documents shall be used for any purpose other than that of this contract.

Works to be carried out

6. The work to be carried out under the Contract shall, except as otherwise provided in these conditions, include all labour, materials, tools, plants, equipment and transport which may be required in preparation of and for and in the full and entire execution and completion of the works. The descriptions given in the Schedule of Quantities shall, unless otherwise stated, be held to include wastage on materials, carriage and cartage, carrying and return of empties, hoisting, setting, fitting and fixing in position and all other labours necessary in and for the full and entire execution and completion of the work as aforesaid in accordance with good practice and recognized principles.

Sufficiency of tender

7. 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 quoted in the Schedule of quantities, which rates and prices shall, except as otherwise provided, cover all his obligations under the contract and all matters and things necessary for the proper completion and maintenance of the works.

Discrepancies and Adjustment of Errors

8. The several documents forming the Contract are to be taken as mutually explanatory of one another, detailed drawings being followed in preference to small scale drawing and figured dimensions in preference to scale and special conditions in preference to General Conditions of Contract.

- 8.1 In the case of discrepancy between the schedule of Quantities, the Specifications and/or the Drawings, the following order of shall prevail:-

- (i) Description of items in Tender Schedule.
- (ii) Particular Specification and Special Condition, if any.
- (iii) Indian Standard Specifications of B.I.S.
- (iv) Drawings.

- 8.2 If there are varying or conflicting provisions made in any one document forming part of the contract, the Accepting Authority shall be the deciding authority with regard to the intention of the document and his decision shall be final and binding on the contractor.

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

Signing of Contract

9. The successful tenderer/contractor, on acceptance of his tender by the Accepting Authority, shall, within 15 days from the stipulated date of start of the work, sign the contract consisting of:-
- (i) the notice inviting tender, all the documents including drawings, if any, forming the tender document as issued at the time of invitation of tender and addendum, if any issued subsequently and acceptance thereof together with any correspondence leading thereto.
 - (ii) CSL General Conditions of Contract consisting of :
 - a) Various standard clauses.
 - b) Integrity Pact
 - c) CSL Safety Code.
 - d) Security Code
 - e) Quality, Health, Safety and Environment (QHSE) Policy of CSL.
 - f) Rules for the protection of health, sanitary arrangements for workers employed by CSL or its contractors.
 - g) Contractor's Labour Regulations.
 - h) List of Acts and omissions for which fines can be imposed.
 - (iii) The contractor is neither eligible for any payment for the work done nor any payment will be released unless contract is signed by the contractor.
 - (iv) Work order and its acceptance will be a binding document between the contractor and CSL till contract is signed in stamp paper. However payment will be released only after signing the contract in stamp paper of adequate value.

CLAUSES OF CONTRACT

CLAUSE 1

I. PERFORMANCE GUARANTEE

Performance Guarantee

- I. The contractor shall submit an irrevocable Performance Guarantee of 5% (Five percent) of the base amount of the tender(excluding GST) in addition to other deposits mentioned elsewhere in the contract for his proper performance of the contract agreement, (not withstanding and/or without prejudice to any other provisions in the contract) within the period specified' from the date of issue of letter of acceptance. This period can be further extended by the Engineer-in-Charge up to a maximum period as specified', on written request of the contractor stating the reason for delays in procuring the Performance Guarantee, to the satisfaction of the Engineer-in-Charge. This guarantee shall be in the form of Bank Guarantee from any scheduled bank or Banker's Cheque of any scheduled bank/Demand Draft of any scheduled bank or Government Securities endorsed in favour of CSL or Fixed Deposit Receipts/Guarantee Bonds of any Scheduled Bank. In case a fixed deposit receipt of any scheduled Bank is furnished by the contractor, the same shall be pledged in the name of CSL and further that if the Bank is unable to make payment against the said fixed deposit receipt, the loss caused thereby shall fall on the contractor and the contractor shall forthwith, on demand furnish additional security to the CSL to make good the deficit.
- II. The Performance Guarantee shall be initially valid up to the stipulated date of completion of work plus 60 days beyond that. In case the time for completion of work gets enlarged, the contractor shall get the validity of Performance Guarantee extended to cover such enlarged time for completion of work. After recording of the completion certificate for the work by the competent authority, the Performance Guarantee shall be returned to the contractor, without any interest. The performance Guarantee for the maintenance contracts exceeding one year will be returned year wise proportionately subject to successful execution of work.
- III. Delay in submission of performance Guarantee, the Engineer-in-charge can extend the period on a written request up to 15 days with a penalty of 0.1% per day of the performance Guarantee amount.

The Engineer-in-Charge shall claim the performance Guarantee for the following.

- i. Failure by the contractor to extend the validity of the Performance Guarantee as described herein above, in which event the Engineer-in-Charge may claim the full amount of the Performance Guarantee; and
- ii. Failure by the contractor to pay CSL 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-in-Charge.
- iii. In the event of the contract being determined or rescinded under provision of any of the Clause/Condition of the agreement, the Performance Guarantee shall stand forfeited in full and shall be absolutely at the disposal of the CSL.

II. SECURITY DEPOSIT

Security Deposit

The person/persons whose tender(s) may be accepted (hereinafter called the contractor) shall permit to deduct a sum at the rate of 5% of the base amount excluding GST of each running and final bill till the sum deducted will amount to security deposit of 5% of the tendered value of the work. Such deductions will be made and held by CSL by way of Security Deposit.

The security deposit will released based on the request from the contractor against a bank guarantee, fixed deposit receipts, pledged in the name of CSL, Govt. Securities endorsed in favour of CSL valid up to the date of completion of defect liability period.

In case of contracts for the maintenance works having period more than one year, the security deposit will be released year wise proportionately.

Security deposit will be released to the contractor only after successful completion of the defect liability period, final bill is paid and the Engineer-in-charge is satisfied about the defect rectification and no dues are outstanding against the contractor.

Note-1: Government papers tendered as security will be taken at 5% (five percent) below its market price or at its face value, whichever is less. The market price of Government paper would be ascertained by CSL at the time of collection of interest and the amount of interest to the extent of deficiency in value of the Government paper will be withheld if necessary.

Note-2: Government Securities will include all forms of Securities mentioned in Rule No. 274 of the GF Rules except fidelity bond. This will be subject to the observance of the condition mentioned under the rule against each form of security.

Note-3: Note 1 & 2 above shall be applicable for both clause I and II.

CLAUSE 2

I. COMPENSATION FOR DELAY

Compensation for Delay

If the contractor fails to maintain the required progress or to complete the work and clear the site on or before the contract or justified extended date of completion, he shall, without prejudice to any other right or remedy under the law, on account of such breach, pay as agreed compensation the amount calculated at the rates stipulated (or smaller amount as fixed by the Engineer-in-charge) below by the competent authority (whose decision in writing shall be final and binding).

- a) Completion period (as originally stipulated or extended) not exceeding 6 months - @ 1% per week on the completion cost subject to a maximum of 10%.
- b) Completion period (as originally stipulated or extended) exceeding 6 months and not exceeding 24 months - @ 0.5% per week on the completion cost subject to a maximum of 7.5%.
- c) Completion period (as originally stipulated or extended) exceeding 24 months - @ 0.25% per week on the completion cost subject to a maximum of 5%.

This will also apply to items or group of items for which a separate period of completion has been specified.

In order to keep the contract live provisional extension will be given without prejudice to any other right or remedy of CSL and this will not relieve in any form to the contractor from paying compensation for delay. If the contractor delayed the work, the Engineer-in-charge will be at liberty to withhold proportionate amount of compensation from the bills of the contractor. This will be done automatically and no notices will be issued by CSL. No compensation for delay is payable by the contractor for the justified extended period as defined in Clause 5.2.

In case the contractor fails to complete the milestones wherever applicable, the amount for that particular milestone will be withheld and if the contractor catches up the delay in subsequent milestone, the withheld amount will be released unless otherwise specifically mentioned. However, no interest, whatsoever, shall be payable on such withheld amount. In case the contractor fails to make up for the delay in subsequent milestones, amount mentioned against each milestone missed subsequently also shall be withheld.

Works kept pending due to operational reasons/hindrances not attributable to the contractor will be granted with additional time with necessary mobilisation period as decided by the Engineer-in-charge and the decision shall be final and binding to the contractor.

The compensation for delay, if not decided before the determination of contract, shall be decided after of determination of contract.

II. BONUS CLAUSE/INCENTIVE CLAUSE

(This clause is applicable only if specifically mentioned in the tender).

If the contractor completes the work ahead of stipulated date of completion a bonus @ 0.25% (decimal two five percent) of the contract amount or completion cost whichever is less per week subject to a maximum limit of 5% (five percent) of contract value for the early completion. The amount bonus, if payable, shall be paid along with final bill after completion of work. This clause will be operated considering the original time schedule only and not on extended time Provided always that provisions of the bonus/incentive clause shall be applicable only when specifically provided in the tender.

CLAUSE 3

Subject to other provisions contained in this clause, the Engineer-in-Charge may, without prejudice to any other rights or remedy against the contractor in respect of any delay, inferior workmanship, any claims for damages and/or any other provisions of this contract or otherwise, and whether the date of completion has or has not elapsed, by notice in writing absolutely determine the contract in any of the following cases:

- a. If the contractor fails to execute the Agreement/Commence the work/ Furnish Programme/ Performance Guarantee etc
- b. If the contractor fails to comply with any of the safety procedures in CSL.
- c. If the contractor fails to comply with any statutory Acts /Rules like Labour Act, ESI/PF Act, Factories Act, IT/GST rules etc.
- d. If the contractor executing the work using inferior materials and workmanship.
- e. If the contractor is indulging in any kind of fraud, theft, violation of security rules, tampering of Entry/Exit passes and all other rules and regulations inside the CSL premises or damaging any of the CSL properties.
- f. If the contractor having been given by the Engineer-in-Charge a notice in writing to rectify, reconstruct or replace any defective work or the work is being performed in an inefficient /otherwise improper manner and fails to comply with the directions from the Engineer-in-Charge within seven days thereafter.

- g. If the contractor has, without the approval of Engineer- In- Charge, suspended the progress of the work continuously for a period more than 7 days or has failed to proceed with the work with due diligence and continues to do so after a notice in writing of seven days from the Engineer-in-Charge.
- h. If the contractor fails to complete the work or section of work with individual date of completion on or before the stipulated or justified extended date, on or before such date of completion and the Engineer in Charge without any prejudice to any other right or remedy under any other provision in the contract has given further reasonable time in a notice given in writing and the contractor is unable to complete work within the period specified.
- i. If the contractor persistently neglects to carry out his obligations under the contract and/ or commits default in complying with any of the terms and conditions of the contract and does not remedy it or take effective steps to remedy it within 7 days after a notice in writing is given to him in that behalf by the Engineer-in-Charge.
- j. If the contractor offer or give or agree to give any person in CSL any gift or consideration of any kind as an inducement or reward for doing any act in relation to the execution of work.
- k. If the contractor had secured the contract as a result of wrong tendering or other non-bonafide methods of competitive tendering or commits breach of Integrity Agreement.
- l. If the contractor being an individual, or if a firm, any partner thereof shall at any time be adjudged insolvent or have a receiving order or order for administration of his estate made against him or shall take any proceedings for liquidation or composition (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) under any Insolvency Act for the time being in force or make any conveyance or assignment of his effects or composition or arrangement for the benefit of his creditors or purport so to do, or if any application be made under any Insolvency Act for the time being in force for the sequestration of his estate or if a trust deed be executed by him for benefit of his creditors.
- m. If the contractor being a company shall pass a resolution or the court shall make an order that the company shall be wound up or if a receiver or a manager on behalf of a creditor shall be appointed or if circumstances shall arise which entitle

the court or the creditor to appoint a receiver or a manager or which entitle the court to make a winding up order.

- n. If the contractor shall suffer an execution being levied on his goods and allow it to be continued for a period of 21 days.
- o. If the contractor engage subcontractor or sublet the work (engagement of labour on a piece-work basis or of labour without materials shall not be deemed to be subletting) without the prior written approval of the Engineer -in-Charge.

When the contractor has made himself liable for action under any of the cases aforesaid, the Engineer-in-Charge shall have powers:

- (a) To determine the contract as aforesaid so far as performance of work by the Contractor is concerned (of which determination notice in writing to the contractor under the hand of the Engineer-in-Charge shall be conclusive evidence). Upon such determination, the Earnest Money Deposit, Security Deposit already recovered and Performance Guarantee under the contract shall be liable to be forfeited and shall be absolutely at the disposal of the CSL.
- (b) After giving notice to the contractor to measure up the work of the contractor; and to take such whole, or the balance or part thereof, as shall be un-executed out of his hands and to give it to another contractor to complete the work. The contractor, whose contract is determined as above, shall not be allowed to participate in the tendering process for the balance work.
- (c) In the event of termination of contract due to reasons attributable to the contractor, the contractor will be liable to get debarred from taking future contracts of CSL for a period decided by CSL.

In the event of above courses being adopted by the Engineer-in-Charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased or procured any materials or entered into any engagements or made any advances on account or with a view to the execution of the work or the performance of the contract. And in case action is taken under any of the provision aforesaid, the contractor shall not be entitled to recover or be paid any sum for any work thereof or actually performed under this contract unless and until the Engineer-in-Charge has certified in writing the performance of such work and the value payable in respect thereof and he shall only be entitled to be paid the value so certified.

CLAUSE 3A

In case, the work cannot be started due to reasons beyond the control of either parties within 3 months, either party may close the contract by giving notice to the other party stating reasons. In such eventuality, the Performance Guarantee of the contractor shall be refunded without interest.

Neither party shall claim any compensation for such eventuality. This clause is not applicable for any breach of the contract by either party.

CLAUSE 4

Engineer-in –Charge shall have powers to impose compensation for delay for completing the work not in accordance with the time allowed in the contract after giving a notice in writing to the contractor and to take possession of the work and the site. The contractor is liable to pay the compensation even if the action not taken under Clause 3. In the case of tools, plant, materials or stores kept in the premises of work site, the Engineer-in- Charge may direct the Contractor to remove them from the site and in the event of the contractor failing to comply with the directions of Engineer-in- Charge, he may remove and/or dispose them at the contractor's risk and expense and such action shall be conclusive against the contractor.

CLAUSE 5

Time and Extension for Delay

The time allowed for execution of the Works as specified in the Contract or the extended time in accordance with these conditions shall be the essence of the Contract. The execution of the works shall commence from such time period as mentioned in contract or from the date of handing over of the site notified by the Engineer-in-Charge, whichever is later. However, the handing over of site by the Engineer in Charge, in full or in part (if so provided in contract), shall be completed within two months from issue of acceptance letter. If the Contractor commits default in commencing the execution of the work as aforesaid, the Performance Guarantee shall be forfeited by the Engineer-in-Charge and shall be absolutely at the disposal of CSL without prejudice to any other right or remedy available in law.

- 5.1** The time for completing the work shall be reckoned from the 14th day from the date of work order or from the date of handing over of the site whichever is later.
- a) The Contractor shall submit a Time and Programme Chart or bar chart for the work/each mile stone. The Engineer-in-Charge may within 10 days thereafter, if required modify, and communicate the program approved to the contractor failing

which the program submitted by the contractor shall be deemed to be approved by the Engineer-in-Charge. The work programme shall include all details of balance drawings and decisions required to complete the contract with specific dates by which these details are required by contractor without causing any delay in execution of the work. The Chart shall be prepared in direct relation to the time stated in the Contract documents for completion of items of the works. It shall indicate the forecast of the dates of commencement and completion of various trades of sections of the work and may be amended as necessary by agreement between the Engineer-in-Charge and the Contractor within the limitations of time imposed in the Contract documents.

- b) In case of non-submission of the Programme by the contractor the Programme approved by the Engineer-in-Charge shall be deemed to be final and binding to the contractor.
- c) The approval by the Engineer-in-Charge of such Programme shall not relieve the contractor of any of the obligations under the contract.
- d) The contractor shall submit Progress Report with reference to the Programme referred above, for the work done during previous month to the Engineer-in-charge on or before 5th day of each month.
- e) If at any time, it appears to the Engineer-in-Charge that the actual progress of work does not conform to the approved programme referred above or after rescheduling of milestones, the contractor shall produce a revised Programme within 7 (seven) days, showing the modifications to the approved Programme to ensure timely completion of the work. The revised Programme Chart shall be approved by the Engineer in Charge.
- f) The contractor shall submit the Programme and Progress Report using the mutually agreed software or in other format decided by Engineer-in-Charge/ mentioned in the tender.

5.2 If the work is delayed due to an under mentioned event of Force Majeure situation which are beyond the control of contractor/CSL which affect the execution of the work or the contractor's obligations in whole or part, the contractor is entitled to claim proportionate extension of contract period.

**Force
Majeure**

- (a) Situations like war, Act of foreign enemies, rebellion, terrorism, riot, strike or lockout. Natural catastrophes such as earth quake, hurricane or volcanic activity, typhoon, floods etc;
- (b) Storm, to the extent that it could not reasonably have been expected to occur at the place, at the time of the year;

- (c) Epidemic, famine;
- (d) Strike or boycott interrupting supply of materials, labour and services to the site (excluding Strike by employees of contractor for any reason whatsoever);
- (e) Munitions of war, explosive materials, ionizing radiation or contamination by radioactivity, except as may be attributable to the contractor's use of such munitions, explosives, radiation or radio-activity and Natural catastrophes;
- (f) Fire caused otherwise than by any act or omission on the part of the contractor or its agents or servants or employees or its subcontractor; and
- (g) Any other event or circumstances of nature analogues to any of the above or an act of God.

Then upon the happening of any such event causing delay, the Contractor shall immediately give notice thereof in writing to the Engineer-in-Charge for recording in the hindrance register. The contractor shall also apply for extension of time or rescheduling of milestone(s) as a consequence of the Force Majeure event.

The contractor shall have no claim of damages for extension of time granted or rescheduling of milestone(s) for events listed in this clause.

- 5.3** In case the work is hindered due to the reasons not attributable to the contractor, he shall immediately give notice thereof in writing to the Engineer-in-Charge seeking extension of time or rescheduling of milestones. The Engineer-in-charge shall, if justified, give a fair and reasonable extension of time and reschedule the mile stones for completion of work after due consideration of the same. In the event of non-application by the contractor for extension of time, the Engineer-in-Charge after affording opportunity to the contractor may give, supported with a programme, a fair and reasonable extension within a reasonable period of occurrence of the event.

Such extension of time or rescheduling of milestones shall be without prejudice to any other right or remedy of the parties in contract or in law; provided further that for concurrent delays under this sub clause and sub clause 5.2, the contractor shall be entitled to only extension of time and no damages.

- 5.4** With every request for rescheduling of milestones, or if at any time the actual progress of work falls behind the approved Programme by more than 10% of the stipulated period of completion of contract, the contractor shall produce a revised Programme which shall include all details of pending drawings and decisions required to complete the contract and also the target dates by which these details should be available without causing any delay in execution of the work.

- 5.5 In event of non-application by the contractor for extension of time the Engineer-in-Charge after affording opportunity to the contractor, will issue reasonable extension of time.

CLAUSE 6

Measurement of work done

Engineer-in-Charge shall, except as otherwise provided, ascertain and determine the value of work done, by measurement in accordance with the contract. All measurements of items having financial value shall be entered in Measurement Book and/or level field book so that complete records are obtained of all works performed under the contract.

All measurements and levels shall be taken jointly by the Engineer-in-Charge or his authorized representative and by the contractor or his authorized representative from time to time during the progress of the work and such measurements shall be signed and dated by the Engineer-in-Charge and the contractor or their representatives in token of their acceptance. If the contractor objects to any of the measurements recorded, a note shall be made to that effect with reason and signed by both the parties.

If for any reason the contractor or his authorized representative is not available and the work of recording measurements is suspended by the Engineer-in-Charge or his representative, the Engineer-in-Charge and the Department shall not entertain any claim from contractor for any loss or damages on this account. If the contractor or his authorized representative does not remain present at the time of such measurements after the contractor or his authorized representative has been given a notice in writing three (3) days in advance or fails to countersign or to record objection within a week from the date of the measurement, then such measurements recorded in his absence by the Engineer-in-Charge or his representative shall be deemed to be accepted by the Contractor.

The contractor shall, without extra charge, provide all assistance with every appliance, labour and other things necessary for measurements and recording levels.

Except where any general or detailed description of the work explicitly shows to the contrary, measurements shall be taken in accordance with the procedure set forth in the specifications notwithstanding any provision in the relevant Standard Method of measurement. In the case of items which are not covered by specifications, measurements shall be taken in accordance with the relevant standard method of

measurement issued by the Bureau of Indian Standards and if for any item no such standard is available, then a mutually agreed method shall be followed.

The contractor shall give sufficient time to the Engineer-in-charge before covering up concealed work or beyond reach of measurement and in default thereof no payment shall be made for such work.

Engineer-in-Charge may cause either himself or through another officer of the Department to check the measurements and/or levels recorded jointly or otherwise as aforesaid and all provisions stipulated herein above shall be applicable to such checking of measurements and/or levels.

It is also a term of this contract that recording of measurements of any item of work in the measurement book and/or its payment in the interim bill or final bill shall not be considered as conclusive evidence as to the sufficiency of any work or material to which it relates nor shall it relieve the contractor from liabilities from any over measurement or defects noticed till completion of the defects liability period.

CLAUSE 6A

(For works of value not less than ₹1.00 Crores)

Computerized Measurement book

Engineer-in-Charge shall, except as otherwise provided, ascertain and determine the value of work done, by measurement in accordance with the contract. All measurements of items having financial value shall be entered by the contractor and compiled in the shape of the Computerized Measurement Book having pages of A-4 size as per the format of the department so that a complete record is obtained of all the items of works performed under the contract.

All such measurements and levels recorded by the contractor or his authorized representative from time to time, during the progress of the work, shall be got checked by the contractor from the Engineer-in-Charge or his authorized representative as per interval or program fixed in consultation with Engineer-in-Charge or his authorized representative. After the necessary corrections made by the Engineer-in-Charge, the measurement sheets shall be returned to the contractor for incorporating the corrections and for resubmission to the Engineer-in-Charge for the dated signatures by the Engineer-in-Charge and the contractor or their representatives in token of their acceptance.

Whenever bill is due for payment, the contractor would initially submit draft computerized measurement sheets and these measurements would be got

checked/test checked from the Engineer-in-Charge and/or his authorized representative. The contractor will, thereafter, incorporate such changes as may be done during these checks/test checks in his draft computerized measurements, and submit to the department a computerized measurement book, duly bound, and with its pages machine numbered. The Engineer-in-Charge and/or his authorized representative would thereafter check this MB, and record the necessary certificates for their checks/test checks.

The final, fair, computerized measurement book given by the contractor, duly bound, with its pages machine numbered, should be 100% correct, and no cutting or over-writing in the measurements would thereafter be allowed. If at all any error is noticed, it shall be signed and sealed by the contractor and the Engineer-in-charge. Thereafter, the MB shall be allotted a number as per the Register of Computerised MBs. This should be done before the corresponding bill is submitted for payment.

The contractor shall also submit to the department separately his computerized abstract of Cost and the bill based on these measurements, duly bound, and its pages machine numbered. Thereafter, this bill will be processed and allotted a number as per the computerized record in the same way as done for the measurement book meant for measurements.

The contractor shall, without extra charge, provide all assistance with every appliance, labour and other things necessary for checking of measurements/levels by the Engineer-in- Charge or his representative.

Except where any general or detailed description of the work expressly shows to the contrary, measurements shall be taken in accordance with the procedure set forth in the specifications notwithstanding any provision in the relevant Standard Method of measurement or any general or local custom or standard Engineering practice. In the case of items which are not covered by specifications, measurements shall be taken in accordance with the relevant standard method of measurement issued by the Bureau of Indian Standards and if for any item no such standard is available then a mutually agreed method shall be followed.

CLAUSE 7

No payment shall be made for work, estimated cost ₹5.00 (Five) Lakh or less till the whole of the work shall have been completed and certificate of completion given unless otherwise specified. For works estimated to cost over ₹5.00 (Five) Lakh, the interim bills shall be submitted by the contractor for the work executed on the basis

of such recorded measurements on the format of the Department on or before 10th of every month to the Engineer-in-Charge. After checking the bill claims furnished by the contractor, valid GST invoice shall be raised and forwarded to CSL immediately by the contractor. The contractor shall not be entitled to be paid any such interim payment if the gross work done is less than the amount specified in Contract, in which case the interim bill shall be prepared after the requisite progress is achieved. In the event of the failure of the contractor to submit the interim bills on or before the specified date, it shall be presumed that no payment is required by the contractor. In such case, the Engineer-in-charge may prepare the bill for the accounting and budget requirements and inform the contractor for submission of the GST invoice and the decision of the Engineer-in-charge will be final and binding on the contractor.

All such interim payments shall be regarded as payment by way of advances against final payment only and shall not preclude the requiring of bad, unsound and imperfect or unskilled work to be rejected, removed, taken away and reconstructed or re-erected. Any such interim payment, or any part thereof shall not in any respect conclude, determine or affect in any way powers of the Engineer-in-Charge under the contract or any of such payments be treated as final settlement and adjustment of accounts or in any way vary or affect the contract.

Pending consideration of extension of date of completion, interim payments shall continue to be made as herein provided without prejudice to the right of the department to take action under the terms of this contract for delay in the completion of work, if the extension of date of completion is not granted by the competent authority.

The Engineer-in-Charge in his sole discretion based on the request of the contractor shall approve and release 75% of assessed value of work done, as advance from the running account bill. The advance payments so allowed shall be adjusted during settlement of the running account/final bill.

In case of composite tenders, interim payment for the major component shall be made by Engineer-in-charge of major discipline to the main contractor. Interim payment for minor component shall be made by the Engineer-in-Charge of the discipline of minor component directly to the main contractor.

The responsibility for payment to all the associates of the contractor for the execution of minor components in the project rests with the main contractor.

**Payments in
composite
Contracts**

CLAUSE 7A

No Running Account Bill shall be paid for the work till the applicable labour licenses, registration with EPFO, ESIC and BOCW Welfare Board, whatever applicable are submitted by the contractor to the Engineer-in-Charge.

CLAUSE 8**Completion
Certificate and
Completion
Plans**

Within seven days of the completion of the work, the contractor shall give notice of such completion to the Engineer-in-Charge and the Engineer-in-Charge shall inspect the work and if there is no defect in the work, shall furnish the contractor with a final certificate of completion, otherwise a provisional certificate of physical completion indicating defects (a) to be rectified by the contractor and/or (b) for which payment will be made at reduced rates, shall be issued. But no final certificate of completion shall be issued, nor shall the work be considered to be complete until the contractor shall have removed from the premises on which the work shall be executed all scaffolding, surplus materials, rubbish and sanitary arrangements required for his/their work people on the site in connection with the execution of the works as shall have been erected or constructed by the contractor and cleaned off the dirt from all wood work, doors, windows, walls, floor or other parts of the building, in, upon, or about which the work is to be executed or of which he may have had possession for the purpose of the execution. If the contractor fails to do, then the Engineer-in-Charge may at the expense of the contractor remove such scaffolding, surplus materials and rubbish etc., and dispose of the same as he thinks fit and clean off such dirt as aforesaid, and the contractor shall have no claim in respect of the above items and cost of removal and disposal will be recovered from the contractor.

CLAUSE 9**Keeping
Site Clean**

When the annual repairs and maintenance of works are carried out, the splashes and droppings from white washing, colour washing, painting etc., on walls, floor, windows, etc shall be removed and the surface to be cleaned simultaneously with the completion of these items of work in the individual rooms, quarters or premises etc. where the work is done: without waiting for the actual completion of all the other items of work in the contract. In case the contractor fails to comply with the requirements of this clause, the Engineer-in-Charge shall have the right to get this work done at the expense of the contractor, either departmentally or through any other agency.

**Completion
Plans to be
made by the
Contractor**

CLAUSE 10

Completion plan shall be prepared and furnished to the Engineer-in-charge if specified in the contract within 14 days from the date of completion of work. If the contractor fails to submit, the recovery of charges as applicable will be made from the bills of the contractor.

**Payment of
Final Bill**

CLAUSE 11

The final bill shall be submitted by the contractor within one month of physical completion of the work. No further claims shall be made by the contractor after submission of the final bill and these shall be deemed to have been waived and extinguished within the time limit as below.

(i) If the Tendered value of work is up to ₹5.00 lac: 2 (Two) months from the date of submission of bills in acceptable form by contractor.

(ii) If the Tendered value of work is more than ₹5.00 lac: 3 (Three) months from the date of submission of bills in acceptable form by contractor.

(iii) All running bills will be settled within 21 days from the date of receipt of bills in acceptable form from the contractor.

The time limit will be calculated from the acceptance of the bills furnished by the contractor provided there are no changes in the measurements recorded.

CLAUSE 12

**Materials
supplied by
CSL**

Materials issued by CSL either free of cost or chargeable basis will be issued as per the requirement. It is the duty of contractor to project his requirement in 7 days advance as per the programme of completion. The material issued is exclusively for the purpose of the contract. At the time of submission of bills, contractor shall certify the materials consumed and the balance material available at site in good condition. The security of the material shall rests with the contractor once issued. The contract shall bear the cost of materials taking delivery, loading, unloading, storing under cover, transportation etc. All the materials issued will be the absolute property of Cochin Shipyard Ltd. The contractor shall see that only the required materials got issued and if there is balance material, the same shall be returned by the contractor in the condition in which they were originally issued failing which the present market cost of the material will be deducted from the bills of the contractor. The decision of the Engineer-in-charge with respect to the materials issued by CSL will be final and conclusive to the contractor.

Issue of machineries on free of charges will be subject to availability and the first preference of the machineries will be for the works of CSL and only free time will be spared to the contractor. Hence full day allotment may not be possible and free slots can be utilised by the contractor. No additional cost can be claimed by the contractor on this account. The decision of the Engineer-in-charge with respect to the machineries issued by CSL will be final and conclusive to the contractor.

CLAUSE 13

Materials to be provided by the Contractor

The contractor shall, at his own expense, provide all materials, required for the works other than which are stipulated to be supplied by the CSL.

The contractor shall, at his own expense and without delay, supply to the Engineer-in-Charge samples of materials to be used on the work and shall get these approved in advance. All such materials to be provided by the Contractor shall be in conformity with the specifications laid down or referred to in the contract. The contractor shall, if requested by the Engineer-in-Charge furnish proof, to the satisfaction of the Engineer-in-Charge that the materials so comply. If samples are not approved, the Contractor shall forthwith arrange to supply to the Engineer-in-Charge for his approval, fresh samples complying with the specifications laid down in the contract. When materials are required to be tested in accordance with specifications, approval of the Engineer-in-Charge shall be issued after the test results are received.

The Contractor shall at his risk and cost submit the samples of materials to be tested or analysed and shall not make use of or incorporate in the work any materials represented by the samples until the required tests or analysis have been made and materials finally accepted by the Engineer-in-Charge. The Contractor shall not be eligible for any claim or compensation either arising out of any delay in the work or due to any corrective measures required to be taken on account of and as a result of testing of materials.

The contractor shall, at his risk and cost, make all arrangements and shall provide all facilities as the Engineer-in-Charge may require for collecting, and preparing the required number of samples for such tests at such time and to such place or places as may be directed by the Engineer-in-Charge. The Engineer-in-Charge or his authorized representative shall at all times have access to the works and to all workshops and places where work is being prepared or 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.

The Engineer-in-Charge shall have full powers to remove any material which is not meeting the standards as per the tender and will not be accountable for any loss or damage happening during the removal.

The contractor shall at his own expense, provide a material testing lab at the site for conducting routine field tests for works of value exceeding ₹5.00 Crores if specified separately in the contract.

CLAUSE 14

Secured Advance for Non-perishable Materials

(i) The contractor, on signing an indenture in the approved form to be specified by the Engineer-in-Charge, shall be entitled to be paid during the progress of the execution of the work up to 75% of the assessed value of any materials which are in the opinion of the Engineer-in-Charge non-perishable, non-fragile and non-combustible and are in accordance with the contract and which have been brought on the site in connection therewith and are adequately stored and/or protected against damage by weather or other causes but which have not at the time of advance been incorporated in the works. When materials on account of which an advance has been made under this sub-clause are incorporated in the work, the amount of such advance shall be recovered/ deducted from the next payment made under any of the clause or clauses of this contract. If the work site and delivery of the material is outside the CISF security area, necessary bank guarantee shall be furnished for the release of advance.

Such secured advance shall not be payable on items of perishable nature, fragile and combustible, high risk material etc. The Engineer in Charge identifies whether an item is perishable or not.

(ii) Mobilisation Advance

(This clause is applicable only if specifically mentioned in the tender)

Mobilisation advance

a) Interest bearing Mobilisation Advance will be payable to the contractor for works having value more than ₹5.00 Crores to a maximum amount of 10% of the contract value in two or more instalments depending on the progressing of work and mobilisation of equipment required.

b) Simple interest will be recovered for the outstanding amount @ SBI base rate +1% per annum.

- c) Mobilisation Advance will be payable against unconditional Bank Guarantee from a Nationalised/ Schedule Bank from India for a value of 110% of the advance as per the approved format. Multiple Bank Guarantees also will be acceptable towards advance. This shall be kept renewed time to time to cover the balance amount and likely period to complete recovery together with interest.
- d) Satisfactory utilization certificate shall be furnished by the contractor for releasing the second instalment.
- e) The advance along with interest will be recovered from each running account bill on prorata basis till recovery of the entire amount. The entire amount together with interest shall be recovered by the time 80% of the work is completed.
- f) In case of termination of contract, the entire value will be recovered at a stretch or the bank guarantee will be encashed by CSL to realize the amount.

CLAUSE 15

Payment due to variation in prices of materials after receipt of tender

(This is applicable only if specifically mentioned in the tender).

If after submission of the tender, the base price of materials specified in the tender increases/ decreases, the difference in base price along with applicable taxes and CP will be adjusted based on actual purchase invoice subject to any such variations shall be effected only for stipulated period of Contract including the justified period extended.

CLAUSE 16

Payment due to increase in price /wages due to statutory orders.

If after submission of tender, the price of any item increases as a result of coming in to force any fresh law, statutory rule or order and/or prevailing at the time of receipt of tenders the amount of contract shall accordingly be varied.

CLAUSE 17

Payment due to Increase/decrease in price/wages after receipt of tender.

(This is applicable only if specifically mentioned in the tender).

If the price of materials and /or wages of labour required for the execution of work increases/decreases it shall be compensated as per the method detailed subject to the condition that such compensation for escalation shall be available only for the work done during the stipulated period including the justified period extended.

Provided always that

- a) Where provisions of clause 17 is applicable, provisions of 15 & 16 will not be applicable.
- b) Where provisions of Clause 17 is not applicable, provision of 16 will be applicable and if specifically mentioned 15 will also be applicable.

CLAUSE 18

Dismantled Material CSL Property

The contractor shall treat all materials obtained during dismantling of a structure, excavation of the site for a work, etc. as CSL's property and such materials shall be disposed off to the best advantage of CSL according to the instructions issued by the Engineer-in-Charge.

CLAUSE 19

Execution in Accordance with specifications, Drawings, Orders etc.

The contractor shall execute the whole work strictly in accordance with the specifications. The contractor shall also comply exactly, fully and faithfully to the design, drawings and instructions in writing in respect of the work, signed by the Engineer-in-Charge.

CLAUSE 20

Deviations/ Variations Extent and Pricing

The Engineer-in-Charge shall have power

(i) to make alteration in, omissions from, additions to, or substitutions for the original specifications, drawings, designs and instructions that may appear to him to be necessary or advisable during the progress of the work, and

(ii) to omit a part of the works in case of non-availability of a portion of the site or for any other reasons and the contractor shall be bound to carry out the works in accordance with any instructions given to him in writing signed by the Engineer-in-Charge and such alterations, omissions, additions or substitutions shall form part of the contract as if originally provided therein and any altered, additional or substituted work which the contractor may be directed to do in the manner specified above as part of the works, shall be carried out by the contractor on the same conditions in all respects including price on which he agreed to do the main work.

The time for completion of the works shall, in the event of any deviations resulting in additional cost over the tendered value sum being ordered, be extended, if requested by the contractor, as follows:

(i) In the proportion which the additional cost of the altered, additional or substituted work, bears to the original tendered value plus

(ii) 25% of the time calculated in (i) above or such further additional time as may be considered reasonable by the Engineer-in-Charge.

CLAUSE 21

Rates for Extra and substituted items

Payment of extra items and substituted items, the contractor may within fifteen days of receipt of order or occurrence of the items claim rates, supported by proper

analysis, which shall include invoices, vouchers etc. and Manufacturer's specification for the work. Engineer-in-charge shall verify the documents after giving consideration to the analysis submitted by the contractor and determine the rates based on the market rates with 10% Contractors profit and the rates so determined will be binding to the contractor.

Deviation limits will be

- i) Foundation below ground level works – 100% of contract value of respective item.
- ii) Above ground level - 30% of contract value of respective item.
- iii) Items not included in contract – 25% of contract value.

Further deviation shall be carried out only with the written approval detailing the quantity of deviation and rates from the Engineer-in-charge. For annual maintenance /biennial maintenance contracts the above deviation limit will not apply.

The rates for the additional/altered items will be prepared considering the nearest similar items in the contract and also in accordance with Delhi Analysis of rates where ever applicable.

For deviation in quantities, contract rates will be applicable.

All deviations, extra items, substituted items etc shall be executed with the prior written approval of the Engineer-in-charge. For the purpose of getting necessary approvals the following works shall be treated as foundation works.

- a) For buildings - All works up to 1.2 meters above ground level or up to floor I level whichever is lower.
- b) For basement - All works up to 1.2 meter above ground level or up to floor I level whichever is lower.
- c) For roads - All items of excavation and filling including sub base.
- d) For tanks and reservoirs - (other than OH) all work up 1.2 meter above ground level.
- e) For retaining walls, compound walls, OH tanks and other elevated structures all works up to 1.2 meter above ground level.
- f) For abutments piers and well staining all works up to 1.2 meter above bed level.

CLAUSE 22

If at any time after acceptance of the tender or during the progress of work, the purpose or object for which the work is being done changes due to any supervening

cause and as a result of which the work has to be abandoned or reduced in scope/curtailment the Engineer-in-Charge shall give notice in writing to that effect to the contractor stating the decision as well as the cause for such decision and the contractor shall act accordingly in the matter. The contractor shall have no claim to any payment of compensation or otherwise whatsoever, on account of any profit or advantage which he might have derived from the execution of the works in full but which he did not derive in consequence of the fore closure of the whole or part of the works.

The contractor shall be paid at contract rates, full amount for works executed at site and, in addition, a reasonable amount as certified by the Engineer-in-Charge for the items hereunder mentioned which could not be utilized on the work to the full extent in view of the foreclosure;

- (i) Any expenditure incurred on preliminary site work, e.g. temporary access roads, temporary labour huts, staff quarters and site office; storage accommodation and water storage tanks.
- (ii) CSL shall have the option to take over contractor's materials or any part thereof either brought to site or of which the contractor is legally bound to accept delivery from suppliers provided, however CSL shall be bound to take over the materials or such portions thereof as the contractor does not desire to retain. For materials taken over or to be taken over by CSL, cost of such materials as determined by Engineer-in-Charge shall be paid. The cost shall, however, take into account purchase price, cost of transportation and deterioration or damage which may have been caused to materials whilst in the custody of the contractor.
- (iii) Reasonable compensation for transfer of Tools & plants from site to contractor's permanent stores or to his other works, whichever is less. If Tools & plants are not transported to either of the said places, no cost of transportation shall be payable.

The contractor shall, if required by the Engineer- in-Charge, furnish to him, books of account, wage books, time sheets and other relevant documents and evidence as may be necessary to enable him to certify the reasonable amount payable under this condition.

The reasonable amount of items on (i), (iii) and (iv) above shall not be in excess of 2% of the cost of the work remaining incomplete on the date of closure, i.e. total stipulated cost of the work as per accepted tender less the cost of work actually

executed under the contract and less the cost of contractor's materials at site taken over by the CSL as per item (ii) above. Provided always that the Engineer-in-Charge shall be entitled to recover advance paid or any other amount due from contractor.

Clause 23

If contractor:

(i) At any time makes default during currency of work or does not execute any part of the work with due diligence and continues to do so even after a notice in writing for compliance within 7 days from the Engineer-in-Charge; Or

(ii) Commits default in complying with any of the terms and conditions of the contract and do not remedy it or take effective steps to remedy it within 7 days even after a notice in writing is given in that behalf by the Engineer-in-Charge;

Or

(iii) Fails to complete the work or items of work with individual dates of completion, on or before the dates so determined, and does not complete them within the period specified in the notice given in writing in that behalf by the Engineer-in-Charge.

The Engineer-in-Charge without invoking action under clause 3 may, without prejudice to any other right or remedy against the contractor which have either accrued or accrue thereafter to CSL, by a notice in writing to take the part work / part incomplete work of any items out of his hands and shall have powers to:

(a) Take possession of the site and any materials, constructional plant, implements, stores, etc., thereon; and/or

(b) Carry out the part work / part incomplete work of any items by any means at the risk and cost of the contractor.

The Engineer-in-Charge shall determine the amount, if any, is recoverable from the contractor for completion of the part work/ part incomplete work of any items taken out of his hands

The certificate of the Engineer-in-Charge as to the value of work done shall be final and conclusive against the contractor provided always that action under this clause shall only be taken after giving notice in writing to the contractor. Provided also that if the expenses incurred by the department are less than the amount payable to the contractor at his agreement rates, the difference shall not be payable to the contractor.

Any excess expenditure incurred or to be incurred by CSL in completing the part work/ part incomplete work of any items and/or the loss or damages suffered or may be suffered by CSL as aforesaid after allowing such credit shall without prejudice to

any other right or remedy available to CSL in law or per as agreement be recovered from any money due to the contractor on any account, and if such money is insufficient, the contractor shall be called upon in writing and shall be liable to pay the same within 30 days thereof failing which the same will be recovered from the bills of the contractor.

In the event of above course being adopted by the Engineer-in-Charge, the contractor shall have no claim to compensation for any loss sustained by him by reason of his having purchased or procured any materials or entered into any engagements or made any advance on any account or with a view to the execution of the work or the performance of the contract.

CLAUSE 24

Suspension of Work

- (i) The contractor shall, on receipt of the order in writing of the Engineer-in-Charge, (whose decision shall be final and binding on the contractor) suspend the progress of the works or any part thereof for such time and in such manner as the Engineer-in-Charge may consider necessary so as not to cause any damage or injury to the work already done or endanger the safety thereof for any of the following reasons:

- (a) on account of any default on the part of the contractor or;
- (b) for proper execution of the works or part thereof for reasons other than the default of the contractor; or
- (c) for safety of the works or part thereof.

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

- (ii) If the suspension is ordered for reasons (b) and (c) in sub-para (i) above:

- (a) the contractor shall be entitled to an extension of time equal to the period of every such suspension PLUS 25%, for completion of the item or group of items of work for which a separate period of completion is specified in the contract and of which the suspended work forms a part, and;

CLAUSE 25

Action in case Work not done as per Specifications

All works under or in course of execution or executed in pursuance of the contract, shall at all times be open and accessible to the inspection and supervision of the Engineer-In-charge, his authorized subordinates in charge of the work and all the superior officers, or any organization engaged by the CSL for Quality Assurance and of the Chief Technical Examiner's Office, and the contractor shall, at all times,

during the usual working hours and at all other times at which reasonable notice of the visit of such officers has been given to the contractor, either himself be present to receive orders and instructions or have a responsible agent duly accredited in writing, present for that purpose. Orders given to the Contractor's agent shall be considered to have the same force as if they had been given to the contractor himself.

If it shall appear to the Engineer-in-charge or his authorized subordinates in charge of the work or the officers of the organization engaged by the CSL for Quality Assurance or to the Chief Technical Examiner or his subordinate officers, that any work has been executed with unsound, imperfect, or unskilful workmanship, or with materials or articles which are unsound or of a quality inferior to that contracted or otherwise not in accordance with the contract, the contractor shall, on demand in writing which shall be made within the defect liability period of the work from the Engineer-in-Charge specifying the work, materials or articles complained of notwithstanding that the same may have been passed, certified and paid for, forthwith rectify or remove and reconstruct the work so specified in whole or in part, as the case may require or as the case may be, remove the materials or articles so specified and provide other proper and suitable materials or articles at his own charge and cost. In the event of the failing to do so within a period specified by the Engineer-in-Charge in his demand aforesaid, then the contractor shall be liable to pay compensation at the same rate as under clause 2 of the contract (for non-completion of the work in time) for this default.

In such case the Engineer-in-Charge may not accept the item of work at the rates applicable under the contract but may accept such items at reduced rates as the authority may consider reasonable during the preparation of running or final bill if the item is so acceptable without detriment to the safety and utility of the item and the structure or he may reject the work outright without any payment and/or get it and other connected and incidental items rectified, or removed and re-executed. Decision of the Engineer-in-Charge to be conveyed in writing in respect of the same will be final and binding on the contractor.

CLAUSE 26

Attending defect during defect liability period and assigning extended warranty

The contractor shall be responsible for all the defect and deficiencies except the usual wear and tear till the expiry of the defect liability period. Contractor shall repair or rectify or replace all defect and deficiencies reported by the Engineer-in-

charge within 2 weeks at the cost of the contractor. In the event of failure the Engineer-in-charge shall be entitled to get the same repair or rectified or replaced at the contractors cost along with an amount equal to 20% of such cost as damages shall also be recoverable from the contractor. The defect liability period shall be deemed to be extended till the identified defects are rectified. The contractor shall not account expiry of the agreement or the defect liability period assigned any outstanding benefit like extended guarantee from the manufactures to the Engineer-in-charge.

CLAUSE 27

**Contractor Liable
for Damages,
defects during
defect liability
period**

If the contractor or his working people or servants shall break, deface, injure or destroy any part of building in which they may be working, or any building, road, road kerb, fence, enclosure, water pipe, cables, drains, electric or telephone post or wires, trees, grass or grassland, or cultivated ground contiguous to the premises on which the work or any part is being executed, or if any damage shall happen to the work while in progress, from any cause whatever or if any defect, shrinkage or other faults appear in the work within twelve months after a certificate final or otherwise of its completion shall have been given by the Engineer-in- Charge as aforesaid arising out of defect or improper materials or workmanship the contractor shall, upon receipt of a notice in writing on that behalf make the same good at his own expense or in default the Engineer-in-Charge cause the same to be made good by other workmen and deduct the expense from any sums that may be due or at any time thereafter may become due to the contractor, or from his security deposit. The security deposit of the contractor shall not be refunded before the expiry of defect liability period after the issue of completion certificate or till final bill has been prepared and passed whichever is later.

CLAUSE 28

**Contractor to
Supply Tools &
Plants etc.**

The contractor shall provide at his own cost all materials (except such special materials, if any, as may in accordance with the contract be supplied from the Engineer-in-Charge's stores), machinery, tools & plants as required for the satisfactory completion of works. . In addition to this, appliances, implements, other plants, ladders, cordage, tackle, scaffolding and temporary works required for the proper execution of the work, whether original, altered or substituted and whether included in the specifications or other documents forming part of the contract or referred to in these conditions or not, or which may be necessary for the purpose of

satisfying or complying with the requirements of the Engineer-in-Charge as to any matter as to which under these conditions he is entitled to be satisfied, or which he is entitled to require together with carriage therefore to and from the work. The contractor shall also supply without charge the requisite number of persons with the means and materials, necessary for the purpose of setting out works, and counting, weighing and assisting the measurement for examination at any time and from time to time of the work or materials. Failing to do so, it shall be arranged by the Engineer-in-Charge at the expense of the contractor and the expenses may be deducted, from any money due to the contractor, under this contract or otherwise and/or from his security deposit.

CLAUSE 29

**Recovery of
compensation
paid to
workmen**

Any Amount of compensation paid under the statutory law will be revoked from the any due from the CSL to the contractor. Any such notices will be handed over to the contractor immediately for immediate settlement.

CLAUSE 30

**Payment to
worker if
contractor fails**

By virtue of the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, and of the Contract Labour (Regulation and Abolition) Central Rules, 1971, if CSL is obliged to pay any amounts of wages to a workman employed by the contractor in execution of the works, or to incur any expenditure in providing welfare and health amenities required to be provided under the above said Act and the rules or under the Contractor's Labour Regulations, CSL will recover from the contractor, the amount of wages so paid or the amount of expenditure so incurred and CSL shall be a liberty to recover such amount from the security deposit or from any sum due by CSL to the contractor whether under this contract or otherwise.

CLAUSE 31

**Labour
Laws to be
complied by
the
Contractor**

The contractor shall obtain a valid licence under the Contract Labour (R&A) Act, 1970, and the Contract Labour (Regulation and Abolition) Central Rules, 1971, before the commencement of the work. The contractor shall also comply with provisions of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979. The contractor shall also abide by the provisions of the Child Labour (Prohibition and Regulation) Act, 1986. The contractor shall also comply with the provisions of the building and other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and the building and other Construction Workers Welfare Cess Act, 1996.

Any failure to fulfil these requirements shall attract the penal provisions of this contract arising out of the resultant non-execution of the work.

CLAUSE 32

No labour below the age of eighteen years shall be employed on the work.

CLAUSE 33

Payment of Wages

Payment of wages:

- (i) The contractor shall pay to labour employed by him either directly or through subcontractors, wages not less than fair wages as defined in as per the provisions of the minimum wages Act 1948, Contract Labour (Regulation and Abolition) Act, 1970 and the contract Labour (Regulation and Abolition) Central Rules, 1971, amended from time to time and rules framed thereunder and other labour laws affecting contract labour.
- (ii) The contractor shall, notwithstanding the provisions of any contract to the contrary, cause to be paid fair wage to labour indirectly engaged on the work, including any labour engaged by his sub-contractors in connection with the said work, as if the labour had been immediately employed by him.
- (iii) In respect of all labour directly or indirectly employed in the works for performance of the contractor's part of this contract, the contractor shall comply with or cause to be complied with the Labour Regulations in regard to payment of wages, wage period, deductions from wages, recovery of wages not paid and deductions unauthorizedly made, maintenance of wage books or wage slips, publication of scale of wages and other terms of employment, inspection and submission of periodical returns and all other matters of the like nature or as per the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, and the Contract Labour (Regulation and Abolition) Central Rules, 1971, wherever applicable.
- (iv) (a) The Engineer-in-Charge shall have the right to deduct from the moneys due to the contractor any sum required or estimated to be required for making good the loss suffered by a worker or workers by reason of non-fulfilment of the conditions of the contract for the benefit of the workers, non-payment of wages or of deductions made from his or their wages which are not justified by their terms of the contract or non-observance of the Regulations.

- (b) Under the provision of Minimum Wages (Central) Rules, 1950, the contractor is bound to allow to the labours directly or indirectly employed in the works one day rest for 6 days continuous work and pay wages at the same rate as for duty. In the event of default, the Engineer-in-Charge shall have the right to deduct the sum or sums not paid on account of wages for weekly holidays to any labours and pay the same to the persons entitled thereto from any money due to the contractor by the Engineer-in-Charge concerned.
- (v) The contractor shall comply with the provisions of the Payment of Wages Act, 1936, Minimum Wages Act, 1948, Employees Liability Act, 1938, Workmen's Compensation Act, 1923, Industrial Disputes Act, 1947, Maternity Benefits Act, 1961, and the Contractor's Labour (Regulation and Abolition) Act 1970, or the modifications thereof or any other laws relating thereto and the rules made there under from time to time.
- (vi) The contractor shall indemnify and keep indemnified CSL against payments to be made under and for the observance of the laws aforesaid without prejudice to his right to claim indemnity from his sub-contractors.
- (vii) The laws aforesaid shall be deemed to be a part of this contract and any breach thereof shall be deemed to be a breach of this contract.
- (viii) Whatever is the minimum wage for the time being, or if the wage payable is higher than such wage, such wage shall be paid by the contractor to the workmen directly without the intervention middle man and shall not be entitled to deduct or recover any amount from the minimum wage payable to the workmen as and by way of commission or otherwise.

CLAUSE 34

In respect of all labour directly or indirectly employed in the work for the performance of the contractor's part of this contract, the contractor shall at his own expense arrange for the safety provisions framed by CSL and amended from time to time and shall at his own expense provide for all facilities in connection therewith. In case the contractor fails to make arrangement and provide necessary facilities as aforesaid, he shall be liable to pay a penalty of ₹2000/- for each default and in addition, the Engineer-in- Charge shall be at liberty to make arrangement and provide facilities as aforesaid and recover the costs incurred in that behalf from the contractor.

CLAUSE 35

In respect of all labour directly or indirectly employed in the works for the performance of the contractor's part of this contract, the contractor shall comply with or cause to be complied with all the rules framed by CSL from time to time for the protection of health and sanitary arrangements for workers employed by CSL and its contractors.

CLAUSE 36

Leave and pay during leave shall be regulated as follows:-

1. Leave :

- (i) In the case of delivery - maternity leave not exceeding 8 weeks, 4 weeks up to and including the day of delivery and 4 weeks following that day,
- (ii) In the case of miscarriage - upto 3 weeks from the date of miscarriage.

2. Pay :

- (i) In the case of delivery - leave pay during maternity leave will be at the rate of the women's average daily earnings, calculated on total wages earned on the days when full time work was done during a period of three months immediately preceding the date on which she gives notice that she expects to be confined.
- (ii) In the case of miscarriage - leave pay at the rate of average daily earning calculated on the total wages earned on the days when full time work was done during a period of three months immediately preceding the date of such miscarriage.

3. Conditions for the grant of Maternity Leave:

No maternity leave benefit shall be admissible to a woman unless she has been employed for a total period of not less than six months immediately preceding the date on which she proceeds on leave.

- 4. The contractor shall maintain a register of Maternity (Benefit) in the prescribed Form and the same shall be kept at the place of work.

CLAUSE 37

In the event of the contractor committing a default or breach of any of the provisions of the Contractor's Labour Regulations and Model Rules for the protection of health and sanitary arrangements for the workers as amended from time to time or furnishing any information or submitting or filing any statement under the provisions of the above Regulations and Rules which is materially incorrect, he/they

shall, without prejudice to any other liability, pay to CSL a sum not exceeding ₹2000/- for every default, breach or furnishing, making, submitting, filing such materially incorrect statements and in the event of the contractor defaulting continuously in this respect, the penalty may be enhanced to ₹5000/- per day for each day of default subject to a maximum of 5 percent of the estimated cost of the work put to tender. The decision of the Engineer-in-Charge shall be final and binding on the contractor.

Should it appear to the Engineer-in-Charge that the contractor is not properly observing and complying with the Contractor's Labour Regulations and Model Rules and the provisions of the Contract Labour (Regulation and Abolition) Act 1970, and the Contract Labour (R& A) Central Rules 1971, for the protection of health and sanitary arrangements for work-people employed by the contractor (hereinafter referred as "the said Rules") the Engineer-in-Charge shall have power to give notice in writing to the contractor requiring that the said Rules be complied with and the amenities prescribed therein be provided to the work-people within a reasonable time to be specified in the notice. If the contractor, within the period specified in the notice, fails to comply with or observe the said Rules and/or to provide the amenities to the work-people as aforesaid, the Engineer-in-Charge shall have the power to provide the amenities hereinbefore mentioned at the cost of the contractor. The contractor shall erect, make and maintain at his/their own expense and to approved standards all necessary huts and sanitary arrangements required for his/their work-people on the site in connection with the execution of the works, and if the same shall not have been erected or constructed, according to approved standards, the Engineer-in-Charge shall have power to give notice in writing to the contractor requiring that the said huts and sanitary arrangements be remodelled and/or reconstructed according to approved standards, and if the contractor shall fail to remodel or reconstruct such huts and sanitary arrangements according to approved standards within the period specified in the notice, the Engineer-in-Charge shall have the power to remodel or reconstruct such huts and sanitary arrangements according to approved standards at the cost of the contractor.

CLAUSE 38

The contractor(s) shall at his/their own cost provide necessary accommodation facilities for his/their work-people as per the rules and directions of the Engineer-in-charge. Necessary water supply, drainage and sanitation facilities to the satisfaction

of the Engineer-in-charge shall be ensured in the accommodation provided by the contractor for the work-people.

CLAUSE 39

Employment of skilled/ semi skilled workers

The contractor shall, at all stages of work, deploy skilled/semiskilled tradesmen who are qualified and possess certificate in trades like welder, plumber, carpenter, electrician etc. If the tradesmen are found to have inadequate skill to execute the work of respective trade, the contractor shall substitute such tradesmen immediately. Failure to deploy qualified tradesmen may attract action as per the relevant provision and decision of Engineer in Charge as to whether particular tradesman possesses requisite skill and on the amount of compensation in case of default shall be final and binding on the contractor.

CLAUSE 40

Contribution of EPF and ESI

. The contractor shall be responsible for taking ESI/EPF registration for his workers and for making payment of contributions thereunder. Any liability/penalty arising out of the failure by the contractor to make the contribution shall be with the contractor and the contractor shall indemnify CSL from any loss, damage, claims, demands, action enabled against CSL in this regard by Statutory, regulatory authorities/ third party etc. The contractor shall submit documentary proof of ESI/EPF payments to CSL every month.

CLAUSE 41

Work not to be sublet. Action in case of insolvency

The contract shall not assigned or sublet without the written approval of the Engineer-in- Charge except items mentioned in the tender. If the contractor shall assign or sublet his/their contract, or attempt to do so, or become insolvent or commence any insolvency proceedings or make any composition with his creditors or attempt to do so, or if any bribe, gratuity, gift, loan, perquisite, reward or advantage pecuniary or otherwise, shall either directly or indirectly, be given, promised or offered by the contractor, or any of his servants or agent to any public officer or person in the employment of CSL in any way relating to his/their office or employment, or if any such officer or person shall become in any way directly or indirectly interested in the contract, the Engineer-in- Charge shall have power to adopt the course specified in Clause 3 hereof in the interest of CSL and in the event of such course being adopted, the consequences specified in the said Clause 3 shall ensue.

CLAUSE 42

All sums payable by way of compensation under any of these conditions shall be considered as reasonable compensation to be applied without reference to the actual loss or damage sustained and whether or not any damage shall have been sustained.

CLAUSE 43

Changes in firm's Constitution to be intimated

Where the contractor is a partnership firm, the previous approval in writing of the Engineer-in- Charge shall be obtained before any change is made in the constitution of the firm. Where the contractor is an individual or a Hindu undivided family business concern, such approval as aforesaid shall likewise be obtained before the contractor enters into any partnership agreement where under the partnership firm would have the right to carry out the works hereby undertaken by the contractor. If previous approval as aforesaid is not obtained, the contract shall be deemed to have been assigned in contravention of Clause 41 hereof and the same action may be taken, and the same consequences shall ensue as provided in the said Clause.

CLAUSE 44

Manner of execution of work

All works to be executed under the contract shall be executed under the direction and subject to the approval in all respects of the Engineer-in-Charge who shall be entitled to direct at what point or points and in what manner they are to be commenced, and from time to time to be carried on.

CLAUSE 45

Settlement of Disputes

Except where otherwise provided in the contract, all questions and disputes relating to the meaning of the specifications, design, drawings and instructions here-in before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right, matter or thing whatsoever in any way arising out of or relating to the contract, designs, drawings, specifications, estimates, instructions, orders or these conditions or otherwise concerning the works or the execution or failure to execute the same whether arising during the progress of the work or after the cancellation, termination, completion or abandonment thereof shall be dealt with as mentioned hereinafter:

If the contractor considers any work demanded of him to be outside the requirements of the contract, or disputes any drawings, record or decision given in writing by the Engineer-in-Charge on any matter in connection with or arising out of the contract or carrying out of the work; or

If the Engineer- in- Charge considers any act or decision of the contractor on any matter in connection with or arising out of the contract or carrying out of the work, to be unacceptable and is disputed;

The matter can be referred to the Nodal officer, Grievance committee in the prescribed format as an alternate mechanism for redressal of grievance. No party shall represent before the DRC by an advocate/legal counsel etc. This is applicable for works having value more than ₹100 Lakhs.

If the DRC fails to give its or any party is dissatisfied with the decision of DRC then either party can represent an appropriate Court of law in Ernakulam for dispute redressal.

It is a term of contract that each party invoking civil court proceedings must exhaust the aforesaid mechanism of settlement of claims/disputes through DRC.

Any dispute arising out of this contract shall be settled in the exclusive jurisdiction of Kochi.

CLAUSE 46

Contractor to indemnify CSL against Patent Rights

The contractor shall fully indemnify and keep indemnified CSL against any action, claim or proceeding relating to infringement or use of any patent or design or any alleged patent or design rights and shall pay any royalties which may be payable in respect of any article or part thereof included in the contract. In the event of any claims made under or action brought against CSL in respect of any such matters as aforesaid, the contractor shall immediately report the matter to the Engineer-in-charge and action be taken as directed.

CLAUSE 47

Lumpsum Provisions in Tender

When the estimate on which a tender is made includes lump sum in respect of parts of the work, the contractor shall be entitled to payment in respect of the items of work involved or the part of the work in question at the same rates as are payable under this contract for such items, or if the part of the work in question is not, in the opinion of the Engineer-in-Charge payable of measurement, the Engineer-in-Charge may at his discretion pay the lump-sum amount entered in the estimate, and the certificate in writing of the Engineer-in-Charge shall be final and conclusive against the contractor with regard to any sum payable to him under the provisions of the clause.

CLAUSE 48

Testing charges under CSL scope

All testing charges/weightment charges for the materials supply by the contractor will be borne by CSL and the cost will be reimburse on receipt of the actual cash paid vouchers. If the material is not confirming to the standards as per the contract, the charges for testing will be under the contractors accounts and will not be reimbursed by CSL.

CLAUSE 49

Action where no Specifications are specified

In the case of any class of work for which there is no specifications are detailed, such work shall be carried out in accordance with the Bureau of Indian Standards Specifications. In case there are no such specifications in Bureau of Indian Standards, the work shall be carried out as per manufacturers' specifications. In case there are no such specifications as required above, the work shall be carried out in all respects in accordance with the instructions and requirements of the Engineer-in-Charge and as per the sound engineering practice.

CLAUSE 50

Withholding and lien in respect of sum due from contractor

- i. Whenever any claim or claims for payment of a sum of money arises out of or under the contract or against the contractor, the Engineer-in-Charge shall be entitled to withhold and also have a lien to retain such sum or sums in whole or in part from the security, if any deposited by the contractor and for the purpose aforesaid, the Engineer-in-Charge shall be entitled to withhold the security deposit, if any, furnished as the case may be and also have a lien over the same pending finalisation or adjudication of any such claim. In the event of the security being insufficient to cover the claimed amount or if no security has been taken from the contractor, the Engineer-in-Charge shall be entitled to withhold and have a lien to retain to the extent of such claimed amount or amounts referred to above, from any sum found payable or which may at any time thereafter become payable to the contractor under the same contract or any other contract with the Engineer-in-Charge or the CSL or any contracting person through the Engineer-in-Charge pending finalization of adjudication of any such claim.

It is an agreed term of the contract that the sum of money so withheld or retained under the lien referred to above by the Engineer-in-Charge will be kept withheld or retained as such by the Engineer-in-Charge till the claim arising out of or under the contract is determined by the competent court and that the contractor will have no

claim for interest or damages whatsoever on any account in respect of such withholding or retention under the lien referred to above and duly notified as such to the contractor. For the purpose of this clause, where the contractor is a partnership firm or a limited company, the Engineer-in-Charge shall be entitled to withhold and also have a lien to retain towards such claimed amount or amounts in whole or in part from any sum found payable to any partner/limited company as the case may be, whether in his individual capacity or otherwise.

- ii. CSL shall have the right to cause an Audit and Technical examination of the works and the final bills of the contractor including all supporting vouchers, abstract, etc., to be made after payment of the final bill and if as a result of such audit and technical examination any sum is found to have been overpaid in respect of any work done by the contractor under the contract or any work claimed to have been done by him under the contract and found not to have been executed, the contractor shall be liable to refund the amount of over-payment and it shall be lawful for CSL to recover the same from him in the manner prescribed in sub-clause (i) of this clause or in any other manner legally permissible; and if it is found that the contractor was paid less than what was due to him under the contract in respect of any work executed by him under it, the amount of such under payment shall be duly paid by CSL to the contractor, without any interest thereon whatsoever.

CLAUSE 51

**Lien in respect
of claims in
other Contracts**

Any sum of money due and payable to the contractor (including the security deposit returnable to him) under the contract may be withheld or retained by way of lien by the Engineer-in-Charge or the CSL or any other contracting person or persons through Engineer-in-Charge against any claim of the Engineer-in-Charge or CSL or such other person or persons in respect of payment of a sum of money arising out of or under any other contract made by the contractor with the Engineer-in-Charge.

It is an agreed term of the contract that the sum of money so withheld or retained under this clause by the Engineer-in-Charge will be kept withheld or retained as such by the Engineer-in-Charge till his claim arising out of the same contract or any other contract is either mutually settled or determined by the competent court and that the contractor shall have no claim for interest or damages whatsoever on this account or on any other ground in respect of any sum of money withheld or retained under this clause and duly notified as such to the contractor.

CLAUSE 52

Water supply

The contractor shall make his/their own arrangements for water required for the work unless otherwise specified and nothing extra will be paid for the same. This will be subject to the following conditions.

- (i) The water used by the contractor shall be fit for construction purposes to the satisfaction of the Engineer-in-Charge.
- (ii) The Engineer-in-Charge shall make alternative arrangements for supply of water at the risk and cost of contractor if the arrangements made by the contractor for procurement of water are, in the opinion of the Engineer-in- Charge, unsatisfactory. If water is issued free of cost by CSL, will be subject to the following conditions.
 - (i) The contractor shall make his/their own arrangement of water connection and laying of pipelines from existing main of source of supply.
 - (ii) The CSL do not guarantee to maintain uninterrupted supply of water and it will be incumbent on the contractor to make alternative arrangements for water at his/ their own cost in the event of any temporary break down in the water main so that the progress of his/their work is not held up for want of water. No claim of damage or refund of water charges will be entertained on account of such break down.
 - (iii) Contractor shall take water in a such a way that the activities of CSL are not affected. He will also be responsible for the damage and abnormal repairs arising out of his use, the cost of which shall be recoverable from the contractor. The Engineer-in-Charge shall be the final authority to determine the cost recoverable from the contractor on this account and his decision shall be final and binding on the contractor.

CLAUSE 53

Alternate water arrangements

- (i) Where there is no piped water supply arrangement and the water is taken by the contractor from the wells or constructed by CSL, or temporary tube wells constructed by contractor, no charge shall be recovered from the contractor on that account however contractor shall get necessary water test certificate and got approved by the Engineer-in-charge before using the water for contraction purpose.
- (ii) The contractor shall be allowed to construct temporary wells in CSL land for taking water for construction purposes only after he has got permission of the Engineer-in- Charge in writing. No charges shall be recovered from the

contractor on this account, but the contractor shall be required to provide necessary safety arrangements to avoid any accidents or damage to adjacent buildings, roads and service lines. He shall be responsible for any accidents or damage caused due to construction and subsequent maintenance of the wells and shall restore the ground to its original condition after the wells are dismantled on completion of the work.

CLAUSE 54

Return of Surplus materials

The contractor shall utilize the materials issued by CSL economically and solely for the purpose of the contract and shall return any surplus material in the original condition as directed by the Engineer-in-charge.

CLAUSE 55

Hire of Plant & Machinery

The contractor shall arrange at his own expense all tools, plant, machinery and equipment (hereinafter referred to as T&P) required for execution of the work except for the Plant & Machinery shown as departmental free issue unless otherwise specified. The services of the operating staff as required will also be provided along with the machinery specified in the tender.

CLAUSE 56

Contractors, Supervision, Technical Staff & Employees.

Employment of Technical Staff and employees

- (i) The contractor shall provide all necessary supervision during execution of the work and all along thereafter as may be necessary for proper fulfilment of the obligations under the contract. The contractor shall immediately after receiving letter of acceptance of the tender and before commencement of the work, intimate in writing to the Engineer-in-Charge, the name, qualifications, experience, age, address and other particulars along with certificates, of the principal technical representative to be in charge of the work and other technical representative who will be supervising the work. Minimum requirement of such technical representative and their qualifications and experience shall not be lower than specified.
- (ii) If the contractor fails to engage sufficient technical representatives as per the provisions of contract clause, non-refundable recovery shall be effected from the bill of the contractor as specified in the contract.
- (iii) All the provisions applicable to the principal technical representative under the Clause will also be applicable to other technical representative. The principal technical representative and other technical representative shall be present at the

site of work for supervision at all times when any construction activity is in progress. Instructions given to the principal technical representative or other technical representative shall be deemed to have the same force as if these have been given to the contractor. The principal technical representative and other technical representative shall be actually available at site fully during all stages of execution of work.

Substitute, duly approved by Engineer-in-Charge of the work in similar manner as aforesaid, shall be provided in the event of absence of any of the representative by more than two days.

If the contractor fails to appoint suitable Principal technical representative and/or other technical representative or if such appointed persons are not effectively present or are absent by more than two days without duly approved substitute or do not discharge their responsibilities satisfactorily, the Engineer-in-Charge shall have full powers to suspend the execution of the work until such date as suitable technical representative is/are appointed and the contractor shall be held responsible for the delay so caused to the work execution.

The contractor shall provide and employ on the site only such technical assistants as are skilled and experienced in their respective fields and such foremen and supervisory staff as are competent to give proper supervision to the work. Contractor's authorised representatives shall affix their signature in token of noting down instructions and acceptance of measurements.

The contractor shall provide and employ skilled, semiskilled and unskilled labour as is necessary for proper and timely execution of the work.

The Engineer-in-Charge shall be at liberty to object to and require the contractor to remove from the works any person who in his opinion misconducts himself, or is incompetent or negligent in the performance of his duties or whose employment is otherwise considered by the Engineer-in-Charge to be undesirable. Such person shall not be employed again at works site without the written permission of the Engineer-in-Charge and the person so removed shall be replaced as soon as possible by competent substitute.

CLAUSE 57

Levy/Taxes payable by Contractor

GST as per the tender shall be payable by the contractor as per the tender and return of the previous bill be submitted along with next running bill. Building and other Construction Workers Welfare Cess if applicable i.e, works outside the factory area,

income tax, any other tax, levy or Cess shall be payable by the contractor as per the tax rules.

CLAUSE 58

Conditions for Reimbursement of levy/tax variation after receipt of tenders

The effect of variation of rate of taxes from the applicable rates i.e, last stipulated date of receipt of tender shall be adjusted on either side i.e., increase or decrease. Provided that such increase shall not be made in the extended period of contract for which the contractor is responsible for the delay as determined by the Engineer-in-charge. The contractor shall within a period of 30 days from the imposition of tax give a written notice to the Engineer-in-Charge.

CLAUSE 59

Termination of Contract on death of contractor

Without prejudice to any of the rights or remedies under this contract, if the contractor dies, the Engineer-in-charge shall have the option of terminating the contract without compensation to the contractor.

CLAUSE 60

If relative working in CSL then the contractor not allowed to tender

The contractor shall not be permitted to tender for work in the CSL if his near relative is posted as an officer in Finance Department or Civil Engineering Department in CSL. He shall also intimate the names of persons who are working with him in any capacity or are subsequently employed by him and who are near relatives of any Officer in the CSL. Any breach of this condition by the contractor would render him liable for cancellation of contract and debarred from tendering in CSL for breach of tender conditions.

NOTE: By the term “near relatives” is meant wife, husband, parents and grandparents, children and grandchildren, brothers and sisters, uncles, aunts and cousins and their corresponding in-laws.

CLAUSE 61

No Gazetted Engineer to work as Contractor within one year of retirement

No engineer or officer who was employed in CSL shall work as a contractor or employee of a contractor for a period of one year after his retirement from the CSL service without the previous permission of Engineer-in-charge in writing. The contract will be liable for cancellation if either the contractor or any of his employees is found at any time to be such a person who had not obtained the permission from CSL as aforesaid, before submission of the tender or engagement in the contractor's service, as the case may be.

CLAUSE 62

Return of material & recovery for excess material issued.

(i) After completion of the work and also at any intermediate stage in the event of non-reconciliation of materials issued, consumed and in balance, theoretical quantity of materials issued by the CSL for use in the work shall be calculated on the basis and method given hereunder:-

- (a) Quantity of cement & bitumen shall be calculated on the basis of theoretical quantity specified in this specification and/or in the tender schedule. A variation of 2% will be allowed from the above theoretical quantity.
- (b) Theoretical quantity of steel reinforcement or structural steel sections shall be taken as the quantity required as per design or as authorized by Engineer-in-Charge, including authorized lap lengths, chairs etc. plus 3% wastage due to cutting into pieces. A variation of 2% will be allowed from the above quantity.
- (c) For non-scheduled item theoretical quantity of material will be declared by Engineer-in-charge and collected by the contractor and decision of engineer-in-charge in this regard will be final.
- (d) For any other material as per actual requirements.

CLAUSE 63

Apprentices Act provisions to be complied with

The contractor shall comply with the provisions of the Apprentices Act, 1961 and the rules and orders issued there under from time to time. If he fails to do so, his failure will be a breach of the contract and the Engineer-in-Charge may, in his discretion, cancel the contract. The contractor shall also be liable for any pecuniary liability arising on account of any violation by him of the provisions of the said Act.

CLAUSE 64

Release of Security deposit after labour clearance

Security Deposit of the work shall not be refunded till the contractor produces a clearance certificate from the Labour Officer or an Indemnity bond in stamp paper having appropriate value.

CLAUSE 65

Workmen compensation policy

Immediately after award of work contractor shall take workmen compensation policy for all the workmen engaged by them and the policies shall be live till the expiry of the defect liability period and copy of the policy shall be furnished to CSL.

CLAUSE 66

Contractors should have independent establishment number for both ESI/EPF scheme and this will form a part of the prequalifying of bidder.

CLAUSE 67

Communication of contractual matter

All instructions notices and communication under the contract shall be given in writing by hand or by e-mail or by post to the address furnished by the contractor during the tender stage. In case of any change in address, phone number or e-mail, the same shall be communicated and got approved in writing from the Engineer-in-charge. The

address given in the tender or amended in writing will be treated as the business address and all correspondence to this shall be deemed to have served and delivered to the contractor.

NOTE: In case of difference or ambiguity in Hindi and English version, the English version shall prevail.

INTEGRITY PACT

(For works having value more than ₹1.00 Crores)

To,

.....,
.....,
.....

Sub: NIT No. for the work

Dear Sir,

It is hereby declared that CSL is committed to follow the principle of transparency, equity and competitiveness in public procurement.

The subject Notice Inviting Tender (NIT) is an invitation to offer made on the condition that the Bidder will sign the integrity Agreement, which is an integral part of tender/bid documents, failing which the tenderer/bidder will stand disqualified from the tendering process and the bid of the bidder would be summarily rejected.

This declaration shall form part and parcel of the Integrity Agreement and signing of the same shall be deemed as acceptance and signing of the Integrity Agreement on behalf of the CSL.

Yours faithfully

Dy General Manager (CE)

UNDERTAKING

To,
Deputy General Manager,
.....,
.....

Sub: Submission of Tender for the work of

Dear Sir,

I/We acknowledge that CSL is committed to follow the principles thereof as enumerated in the Integrity Agreement enclosed with the tender/bid document.

I/We agree that the Notice Inviting Tender (NIT) is an invitation to offer made on the condition that I/We will sign the enclosed integrity Agreement, which is an integral part of tender documents, failing which I/We will stand disqualified from the tendering process. I/We acknowledge that THE MAKING OF THE BID SHALL BE REGARDED AS AN UNCONDITIONAL AND ABSOLUTE ACCEPTANCE of this condition of the NIT.

I/We confirm acceptance and compliance with the Integrity Agreement in letter and spirit and further agree that execution of the said Integrity Agreement shall be separate and distinct from the main contract, which will come into existence when tender/bid is finally accepted by CSL. I/We acknowledge and accept the duration of the Integrity Agreement, which shall be in the line with Article 1 of the enclosed Integrity Agreement.

I/We acknowledge that in the event of my/our failure to sign and accept the Integrity Agreement, while submitting the tender/bid, CSL shall have unqualified, absolute and unfettered right to disqualify the tenderer/bidder and reject the tender/bid in accordance with terms and conditions of the tender/
bid.

Yours faithfully

(Name & signature of Bidder)

NOTE:

In case of difference or ambiguity in Hindi and English version, the English version will prevail.

(To be signed by the bidder and same signatory competent / authorized to sign the relevant contract on behalf of CSL).

PRE CONTRACT INTEGRITY PACT

General

This pre-bid pre-contract Agreement (hereinafter called the Integrity Pact) is made on..... day of the month of201.., between, on one hand, the President of India acting through **Shri....., (Designation of the officer)**, Cochin Shipyard Ltd (CSL), P.O Bag No. 1653, Perumanoor P.O , Kochi- 682015, India, having its registered office at Perumanoor Kochi, (hereinafter called the “PRINCIPAL”, which expression shall mean and include, unless the context otherwise requires, his successors in office and assigns) of the First part and M/s.....represented by Shri....., Chief Executive Officer (hereinafter called the “BIDDER/Seller” which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the second part.

WHEREAS the PRINCIPAL proposes to procure (Name of the Stores/ Equipment/Item) and the BIDDER/Seller is willing to offer/has offered the stores and

WHEREAS the BIDDER is a private company/public company/Government undertaking/partnership/registered export agency, constituted in accordance with the relevant law in the matter and the PRINCIPAL is a **Government of India** PSU performing its functions on behalf of the President of India.

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:-

Enabling the PRINCIPAL to obtain the desired said stores/equipment/item at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the PRINCIPAL will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:-

Commitments of the PRINCIPAL

- 1.1 The PRINCIPAL undertakes that no official of the PRINCIPAL, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any

material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organisation or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting on implementation process related to the contract.

- 1.2 The PRINCIPAL will, during the pre-contract stage, treat all BIDDERS alike and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS.
 - 1.3 The officials of the PRINCIPAL will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
- 2 In case any such preceding misconduct on the part of such official(s) is reported by the BIDDER to the PRINCIPAL with full and verifiable facts and the same is prima facie found to be correct by the PRINCIPAL, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the PRINCIPAL and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the PRINCIPAL the proceedings under the contract would not be stalled.

Commitments of BIDDERS

3. The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:-
 - 3.1 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the PRINCIPAL, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
 - 3.2 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the PRINCIPAL or otherwise in securing the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract of any other contract with the government for showing or forbearing to show favour or disfavor to any person in relation to the contract of any other contract with the Government.

- 3.3 BIDDERS of foreign origin shall disclose the name and address of their Indian agents and representatives, if any and Indian BIDDERS shall disclose their foreign principals or associates, if any.
- 3.4 BIDDERS shall disclose the payments to be made by them to their Indian agents/brokers or any other intermediary, in connection with this bid/contract and the payments have to be in Indian Rupees only.
- 3.5 The BIDDER further confirms and declares to the PRINCIPAL that the BIDDER is the original manufacturer/ integrator/authorized agent of the stores/equipment/items and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to the PRINCIPAL or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 3.6 The BIDDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the PRINCIPAL or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 3.7 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 3.8 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.9 The BIDDER shall not use improperly, for purposes of competition or personal gain, pass on to others, any information provided by the PRINCIPAL as part of the business relationship, regarding plans, technical proposals and business details, including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.
- 3.10 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.11 The BIDDER shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.12 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of the

PRINCIPAL, or alternatively, if any relative of an officer of the PRINCIPAL has financial interest/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.

The term 'relative' for this purpose would be as defined in section 6 of the Companies Act 1956.

- 3.13 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee or the PRINCIPAL.

4. Previous Transgression

- 4.1 The BIDDER declares that no previous transgression occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify; BIDDER's exclusion from the tender process.
- 4.2 The BIDDER agrees that if it makes incorrect statement on this subject, BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

5. Earnest Money (Security Deposit)

- 5.1 While submitting commercial bid, the BIDDER shall deposit an amount..... (to be specified in tender) as Earnest Money as applicable/Security Deposit, with the PRINCIPAL through any of the following instruments:
- (i) Bank Draft or Pay Order in favour of PRINCIPAL.
 - (ii) A confirmed guarantee by an Indian Nationalized Bank, promising payment of the guaranteed sum to the PRINCIPAL on demand within three working days without any demur whatsoever and without seeking any reasons whatsoever. The demand for payment by the PRINCIPAL shall be treated as conclusive proof of payment.
 - (iii) Any other mode or through any other instrument (to be specified in the tender).
- 5.2 The Earnest Money if applicable/Security Deposit shall be valid upto the complete conclusion of the contractual obligations to the complete satisfaction of both the BIDDER and the PRINCIPAL, including warranty period.
- 5.3 In case of the successful BIDDER a clause would also be incorporated in the Article

pertaining to Performance Bond in the Purchase Contract that the provisions of sanctions for Violation shall be applicable for forfeiture of Performance Bond in case of a decision by the PRINCIPAL to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.4 No interest shall be payable by the PRINCIPAL to the BIDDER on Earnest Money/Security Deposit for the period of its currency.

6 Sanctions for Violations

6.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle the PRINCIPAL to take all or any one of the following actions, wherever required:-

- (i) To immediately call off the pre contract negotiations without assigning any reason or giving any; compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
- (ii) The Earnest Money Deposit (in pre-contract stage) and/or Security Deposit/ Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by the PRINCIPAL and the PRINCIPAL shall not be required to assign any reason therefore.
- (iii) To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.
- (iv) To recover all sums already paid by the PRINCIPAL, and in the case of an Indian BIDDER with interest thereon at 2% above the prevailing Prime Lending Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% above the LIBOR (London Inter Bank Offer Rate). If any outstanding payment is due to the BIDDER from the PRINCIPAL in connection with any other contract for any other stores, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- (v) To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by the PRINCIPAL, along with interest.
- (vi) To cancel all or any other contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to the PRINCIPAL resulting from such cancellation/rescission and the PRINCIPAL shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.

- (vii) To debar the BIDDER from participating in the future bidding processes of PRINCIPAL for a minimum period as deemed appropriate, which may be further extended at the discretion of the PRINCIPAL.
 - (viii) To recover all sums paid in violation of this Pact by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.
 - (ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the PRINCIPAL with the BIDDER, the same shall not be opened.
 - (x) Forfeiture of Performance Bond in case of a decision by the PRINCIPAL to forfeit the same without assigning any reason for imposing sanction for violation of this pact.
- 6.2 The PRINCIPAL will be entitled to take all or any of the actions mentioned at para 6.1(i) to (x) of this pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.
- 6.3 The decision of the PRINCIPAL to the effect that a breach of the provisions of this pact has been committed by the BIDDER shall be binding on the BIDDER. However, the BIDDER can approach the Independent Monitor(s) appointed for the purposes of this Pact.

7 Fall Clause

- 7.1 The BIDDER undertakes that it has not supplied/is not supplying similar product/systems/items or subsystems at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India or PSU and if it is found at any stage that similar product/systems or sub systems/items was supplied by the BIDDER to any other Ministry/Department of the Government of India or PSU at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the BIDDER to the PRINCIPAL, if the contract has already been concluded.

8 Independent Monitors

- 8.1 The PRINCIPAL has appointed Independent Monitor (hereinafter referred to as Monitor) for this Pact in consultation with the Central Vigilance Commission. The contact details of Monitor are as under.

Mr.....,
.....
.....
.....
...
e-mail-.....

Ph:

- 8.2 The task of the Monitors shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.
- 8.3 The Monitors shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.
- 8.4 Both the parties accept that the Monitors have the right to access all the documents relating to the project/procurement, including minutes of meetings.
- 8.5 As soon as the Monitor notices, or has reason to believe, a violation of this pact, he will so inform the Authority designated by the PRINCIPAL.
- 8.6 The PRINCIPAL accepts that the Monitor has the right to access without restriction to all Project documentation of the BUYER including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unlimited access to his project documentation. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/Subcontractor(s) with confidentiality.
- 8.7 The PRINCIPAL will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.
- 8.8 The Monitor will submit a written report to the designated Authority of PRINCIPAL /Secretary in the Department/ within 8 to 10 weeks from the date of reference or intimation to him by the PRINCIPAL /BIDDER and, should the occasion arise, submit proposals for correcting problematic situations.

9 Facilitation of Investigation

In case of any allegation of violation of any provisions of this pact or payment of commission, the PRINCIPAL or its agencies shall be entitled to examine all the documents including the Books of Accounts of the BIDDER. The BIDDER shall provide necessary information and documents in English and shall extend all possible help of the purpose of such examination/inspection.

10 Law and Place of Jurisdiction

This Pact is subject to Indian Law. The place of performance and jurisdiction is the seat of the PRINCIPAL.

11 Other Legal Actions

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extent law in force relating to any civil or criminal proceedings.

12 Validity

12.1 The validity of this Integrity Pact shall be from date of its signing and extend upto 5 years or the complete execution of the contract to the satisfaction of both the PRINCIPAL and the BIDDER/Seller, including warranty period, whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract.

12.2 Should one or several provisions of this Pact turn out to be invalid; the remainder of this pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

13 The parties hereby sign this Integrity Pact at.....on.....

PRINCIPAL

Name of the Officer

Designation

Witness

1.....

2.....

BIDDER

Name

Address

Witness

1.....

2.....

* Provisions of these clauses would need to be amended/deleted in line with the policy of the BUYER in regard to involvement of Indian agents of foreign suppliers.

SAFETY CODE FOR CONTRACTORS

GENERAL SAFETY RULES

1. These safety rules have been promulgated for the guidance of the contractor. These rules in no way relieve a contractor from his obligation under various statutory rules and regulations.
2. The contractor before starting any work in the CSL premises will be issued with these rules and he is expected to give a declaration that he receives one copy of the CSL Safety Rules for contractors and will comply with the rules laid therein.
3. CSL reserves its right to suspend work in the event of the contractor not complying with rules of instructions with regarding to Safety practices for which no claim of any kind will be entertained.
4. To ensure the safe conduct of safety operation a representative of the contractor should maintain appropriate contact with office-in-charge of the work as may be necessary to acquaint himself with any changed conditions of other matters relating to the safety performance.
5. All regulations code and ordinance of the Government of India, Government of Kerala, and local Municipal, Corporation regarding safety will be applicable to the contractor.
6. The principal contractor is responsible for observance of these rules by his sub-contractors. Only employees acceptable to CSL should not employed for the operation of any type of equipments. Contractors employees should not enter the areas where the nature of contracted work does not require their presence.
7. All accident occurring to contractors personal must be reported promptly and immediately by the contractor or his agent to the Chief safety officer (Indl. Relations) in addition to the officer-in-charge of the work and this should be followed by an incident-accident report in the form prescribed by the company. In the case of electrical accidents, report should be made in accordance with Rule 44 Annexure of Indian Electricity Rules 1956 and the form shall be in accordance with Annexure XIII to the Indian Electricity Rule 1956. The report should be furnished to the resident Electrical Engineer within 8 hours of occurrence of electrical accident immediately on occurrence of electrical accident, the operator in the main receiving station should be informed on the phone and necessary instruction taken from him.

8. a) The Contractor should ensure that they are complying with all the regulations under the Indian Electricity Act and relevant rules when they consume electricity.
 - b) All power cables used shall be armoured cables.
 - c) HRC fuses should be used in all fuse/switch fuse units.
 - d) Double earthing shall be provided for all equipments, switch boards, etc.
 - e) Overhead power lines are to be restricted to the minimum possible and should be attached to a GI. Guy wire by means real insulations.
 - f) No wire carrying electrical current is to be laid on working floors areas.
 - g) Surplus wire kept bundled at the end of supply line shall be neatly done and secured properly.
 - h) Earthing points should not be extended by looping.
 - i) Electrical insulations, wiring etc. are to be got done only through a licensed electrical contractor holding valid license issued by the electrical inspector of Kerala.
9. Electric switches or circuits, unless wholly owned solely used by the contractor should not be opened or closed unless authorized by the Officer-in-charge of CSL.
10. The storage, handling and use of hazardous materials must be approved by the Safety Officer.
11. The Contractor should be responsible for the cleanliness of the job site.
12. The Contractors should take precautions to prevent tripping hazards caused by hoses and welding lines etc.
13. The contractor should ensure that adequate fire extinguishing arrangements are provided for their equipments.
14. Contractor's workmen should obey all signs and special rules regarding smoking and fire prevention.
15. In the event of fire the contactors should notify to the Inspector, CISF, and Safety Officer, at once giving the exact location and nature of fire. At the same time he should start operations to extinguish or control the fire until assistance arrives.
16. Where property is exposed to the hazards of fire, open fires will not be permitted.
17. Gas or oil fired heaters must not be placed close to an inflammable material. Their burners must be adjusted and maintained so that there is no risk of accidental fire nor of the omission or smoke or fumes.
18. Inflammable liquids must be handled in safe cans or containers approved y CSL and shall be stored, in the locations acceptable to CSL. All such containers must be clearly labeled.
19. Tarpaulin used should be of flame proof type.

20. The area beneath over head work should be "roped off and signs" Danger-Man working above should be placed to warn the men moving below.
21. Excavation should be protected by adequate covering and visible warning lights should be placed both during day and night to warn approaching traffic. Precautions should be taken to prevent "cave-ins": of the excavations.
22. Proper and adequate timber shoring and bracing should be provided to prevent sliding or slipping of loose or unstable soil, rock or other materials.
23. Under cuttings of trenches and other excavations should be avoided.
24. Excavated materials should be put away from the edges of the excavated trench to avoid slipping of the excavated materials into the trench.
25. The contractors working in man holes or pits below the ground level must acquaint himself and advise his employees of the hazards of gas or liquid level and take proper precautions.
26. Open manholes must be protected by adequate barricade, Man hole covers should be replaced promptly when work is suspended.
27. Only qualified employees under the supervision of a qualified supervisor should be allowed to use oxy-acetylene equipment.
28. Cylinders should be secured in upright position.
29. Electric welding should be done only by qualified welders under the supervision of qualified supervisor.
30. Welder should use adequate personal protective equipments while working.
31. Arc welding should be done only after shielding the location.
32. Arc welding equipments should be properly earthed. While welding it should be ensured that no equipment forms part of the ground return.
33. Contractors should ensure that First Aid boxes are provided at work spot and should ensure proper medical care of injured persons.
34. Contractors should ensure that all the employees are equipped with proper protective equipments for the work they are entrusted with.
35. All the employees of the contractors should wear approved safety helmets depending on the work they are engaged in.
36. When the contractor's employees are exposed to the movement of cranes, the Contractor's supervisor should consult with the Officer-in-charge before sending his men on the job.
37. When the contractor's employees are exposed to the movement of crane he should provide watchmen for the protection o his employees.

38. Only qualified and authorised employees should be allowed to operate the mobile cranes and other hoisting equipments.
39. Only qualified and authorised persons should be allowed to drive the vehicle in the yard.
40. All traffic rules, signs and speed limits must be observed by all the employees of the contractor.
41. Contractors should not park their vehicle in such a way be a hindrance to the smooth flow of traffic in the yard.
42. While working at heights adequate scaffolding or staging should be used.
43. While working at heights the workman should wear safety belts with adequate life lines.
44. Scaffoldings should be of a sound material securely fastened and should be capable of supporting 4 times the combined weight of men and material who may be working on them.
45. Wooden planks used in scaffoldings should not be less than 10" wide, 2" thick should not extend beyond the outer supports by more than 12" nor less than 6".
46. Guarding and the boards should be installed in all scaffolding which are 10" or more in height.
47. Workmen in charge of working squad are responsible for the safe loading and use of ropes, chains, cables slings, jacks, skids and other hosting and lifting apparatus. In no case such equipments should be used unless and until the man in charge is satisfied that it is free from defects and are safe for use.
48. Before operating cranes, derrick or hoi stick or hoisting equipment, the operator should sound a warning and he should accept signals only from one person for starting the work of raising, lowering and swinging loads.
49. The Operator should stop immediately all operation on receiving signals from any one.
50. No workman should move near the cable under tension and within the angle formed by the ropes or cables.
51. When anyone is found in the danger zone the Hoist operator should never place tension on rope or cable.
52. Care must be taken to see that cable chains and other hoisting equipments are not unduly stressed by improper use.
53. All ropes, cables, chains, slings, etc. should be discarded when they were worn out or deteriorated to the point where their safe use may be doubtful.
54. Chains and wire ropes should not be spliced or joined.
55. New links should be inserted by competent persons.

56. Wire ropes or cables should not be allowed to kink.
57. When applying U. Bolts and clips to cables, adequate number should be used.
58. Hooks, rings and other fittings used on chains or cables should be of the carrying capacity higher than that of the chain or cable.
59. Natural and synthetic fiber ropes should be properly cared and the following precautions should be taken.
 - a) Rope should not pass over sharp edges, pads should be used to protect the fibres.
 - b) Rope should not be dragged on the ground unnecessarily using too small sheaves, should be avoided.
 - c) Rope should not be permitted to slip on which drum or moving drums.
 - d) Kinked ropes should not be used.
 - e) Do not tie knots where splices should be used.
 - f) Ropes should not be allowed to soak in oil and exposed to acid or other corrosive substances, they should wash and dried.
 - g) Rope should not be allowed to expose to weather unnecessarily.
 - h) When drying excessive heat should not be used.
60. Adequate precautions should be taken during welding or gas cutting against hazards such as electric shocks, burns, fumes fires, explosion and arc eyes.
61. Gauntlet gloves should be worn while or gas cutting.
62. Outer cloth worn should be free from oil or grease.
63. Goggles or welder's helmets should be worn during welding.
64. Barriers should be erected to protect other persons in the vicinity from rays or electric arcs or welding flames.
65. Goggles should be worn while chipping the welding slag.
66. Adequate ventilation should be provided while welding or cutting in confined spaces.
67. When welding or gas cutting in elevated positions, precautions should be taken to prevent sparks of hot metal slag falling out to the people or to the flammable material below.
68. Before welding or cutting a pipe, tank or container, which carried flammable material, it should be thoroughly cleaned and gas freed and if necessary, 'Hot Work Certificate' from the Controller of Explosive should be obtained.
69. Loitering around operating units is prohibited at all times.
70. Bringing intoxicants into the yard is strictly forbidden. Likewise entering the yard under the influence of intoxicants is an offence.

71. Jumping on off trucks, automobiles or other moving vehicle is prohibited. Men should wait until the vehicle stops before attempting to enter or leave.
72. In confined spaces workers shall be protected with air line respirators with tight fitting rubber, mask (especially for painting etc.)
73. It shall be considered hazardous to carry out gas cutting or welding work within 15-20 feet from the place where paint is being applied.
74. The following works to be done through “Permit to work – on Instalment”
1. Work at height /fragile roof.
 2. Excavation /Trenches opening
 3. Work on gas line
 4. Work on crane track/rail track
75. All scaffolding more than 2m height to be certified by S&F Department before boarded to scaffold.
76. All workers employed with asphaltic materials, cement shall be provided with personal protective equipments (PPE).
77. Works like welding, cutting, concreting, grinding, and painting shall be provided with protective goggles/eye shields.
78. When workers are employed in sewage/manhole, septic tank etc;
- a) The area shall be cordoned with warning boards.
 - b) Presence of toxic gases should be tested and oxygen availability to be ensured using suitable means.
 - c) Safety belt shall be provided to the workers.
 - d) No smoking or opening flames shall be allowed near manholes.
 - e) The waste/mud obtained from the manhole/drains shall be removed immediately.
 - f) Air blowers should be used for flow of fresh air.
 - g) The workers engaged for cleaning the manholes/sewers should be properly trained before allowing to work in the manhole.

Working at Height

- a) All work beyond 2.5m height shall be carried out only with permit to work (PTW)
- b) Staging should be erected and inspected for all works beyond 2.5m heights.
- c) Full body harness to be worn by the individual working at height and should be attached to a strong point.
- d) No loose items like hammer, spanners etc should be kept on staging planks.
- e) In case of high risk work special procedure may be drawn up and approved for working.

- f) Working at height using rope access ladder system shall be approved by CSL.
- g) Every opening in the floor of a building or in a working platform shall be provided with suitable means to prevent the fall of person or materials by providing suitable fencing or railing whose minimum height shall be 90 cm.

Excavation

- a) All excavation shall be carried out only after getting PTW.
- b) Suitable fencing should be erected around the place of work.
- c) Sign board should be provided.
- d) Excavated materials shall be placed within 1.5m of the edges of the excavation and shall be removed immediately.
- e) Cutting shall be done from top to bottom and no undermining and under cutting shall be done.
- f) The size of the excavation shall be stepped back to be suitable slop to secure the edges from collapse.
- g) Necessary shoring/protection to safe guards the sides from collapse.

Demolition

- a) Area adjacent to the work site shall be either close or protected.
- b) No electric cable shall remain charged.
- c) PTW shall be obtained before commencement of work.

Welding

- a) Welding equipment should be rectifier, inspected & certified by competent authority.
- b) Welding cable should be continuous with proper insulation, no joints are permitted.
- c) The equipment should be earthed to the nearest point.
- d) The welding holder should be ISI mark.
- e) Welding gloves should be compulsorily used.
- f) Proper welding shield and safety helmets may be used.
- g) The Welding plant should be connected to authorised electrical points with ELCB & MCB
- h) Qualified /certified /experienced welders should only carry out welding jobs.
- i) After work the equipment, supply points to be switched off and cable to be secured.
- j) No welding should be carried out at unsafe/moist area and PTW be obtained at all applicable area.

Gas cutting

- a) The hoses used should be as per Industrial colour coding (Acetylene-Maroon, Oxygen-blue).

- b) The hoses should be tested and should have validity.
- c) No joints are permitted and in any unavoidable situation they should be more than 3 meter away secured and no additional joints permitted.
- d) The cuttogen used should be standard with flash back arrestor fitted.
- e) The hose should be connected to the manifold first and then to the cutting torch.
- f) The entrapped air in acetylene should be blown, with care to avoid accumulation at work place.
- g) PTW to be obtained on all applicable areas.
- h) No cutting is permitted near to painting and flammable materials.
- i) On completion of work the manifold should be closed and cutting torch disconnected and hoses disconnected from manifold.
- j) The hoses disconnected from manifold should be pulled out from place of work and kept in the safe area after rolling.
- k) The hose should be painted at every 5 meter with contractor/company name.
- l) In case of usage of cylinders, the cylinders should be kept in upright condition.
- m) Only experienced/certified workers should be engaged with cutting work.
- n) The nozzle selected should be on the basis of the job.
- o) Correct pressure to be used for cutting.

INSTRUCTION FOR TAKING POWER SUPPLY FROM CSL

- a. Contractor requiring power connection should submit their request in the proper format to the Resident Electrical Engineer through their licensed electrical contractor and with the approval of the Engineer-in-charge.
- b. The connection will be energised only after completion report and inspection by the REE and found the connections are proper.
- c. The work shall be commenced only after getting approval from Residential Electrical Engineer.
- d. During the course of work, periodic inspection by the REE or his representatives, defects, unsafe practices etc reported shall be rectified immediately after stopping the work. Failure to carry out the instruction will lead to disconnection. Qualified electrician /supervisor having competency license/certificate issued by Kerala State Licensed Board shall be made available as directed by the Engineer-in-charge.
- e. For non observance of the above safety practices, rules and regulations and due to the resultant accidents the defaulting consumers liable to be subjected to the normal procedures of punitive actions as envisaged in the Indian Electricity Rules/Indian Electricity Act and elsewhere.
- f. Overalls shall be supplied by the contractor to their workmen with their names written.
- g. When the work is done near any place where there is risk of drowning, all necessary equipments should be provided and kept ready for use and all necessary steps taken for prompt rescue of any person in danger adequate provision, should be made for prompt first aid treatment of all injuries likely to be obtained during the course of the work.
- h. Use of hoisting machines and tackle including their attachment, anchorage and support shall conform to the following standards or conditions:-
 - a) The machine shall be tested and certified by the competent authority.
 - b) Operated shall be properly qualified and experienced.
 - c) Safe working load shall be properly written near the hoisting machine.
 - d) All moving parts, belts etc shall be secured with cover/guards.
- i. Notwithstanding the above clause, there is nothing in these to exempt the contractor from the operations of any other Act or Rule in force in the Republic of India.

- j. All the safety codes, manual of CSL and instruction issued to the contractor while issuing PTW, tool box talk and site direction by Chief Safety Officers and its representatives shall be fully complied by the contractor.

Electrical connection

- a) All equipment used should be inspected by CSL and certified.
- b) The power supply should be through ELCB & MCB.
- c) No loose wires should be used for connection.
- d) The equipment cord should not be tempered with and any extension of cable should be done through proper extension board only.
- e) No guard/ shield should be removed from electrical equipments.
- f) When not in use, the cables and equipments may be secured properly.
- g) All single phase connection should have one earthing and 3 phase with 2 earthing.
- h) Power cable termination required for drawing direct power from CSL EW Switch Bards/ CSL permanent installations to be carried out by CSL authorized electricians only.
- i) Temporary Electrical installations with Valid Load Center (LC) number only are to be used inside yard premises. LC number will be allotted by the REE for the Electrical installations with necessary & sufficient safety gadget (ELCB+MCB). For obtaining the LC number, details of the JB/Extension Board and the Electrical equipment intended for connection are to be submitted by the sub contractor, through a Licensed Electrical Contractor, as per the format available with the REE. The REE shall provide the LC number, valid for one year after confirming the safety measures incorporated in the installation.

SECURITY CODE FOR CONTRACTORS

ENTRY/EXIT PROCEDURE

a) PRE-REQUISITES

The following documents are mandatory for issue of entry passes for work inside the yard:

- a) ESIC Declaration/ Personal data form (CSL approved format)
- b) PF nomination form (CSL approved format)
- c) Age Proof Certificate (School Certificate or valid Indian Passport)
- d) Police Clearance certificate in original or copy of passport issued within 6 months from the date of engagement of worker.
- e) Medical Certificate issued by a qualified Doctor (MBBS) – in Shipyard prescribed format.
- f) Savings A/c Passbook with IFS code.
- g) Aadhar.
- h) Election ID.
- i) EPF form – 11 (Declaration form) (CSL approved format)

b) PROCEDURE

(i) Issue of Entry pass to contract workman/ Supervisor/ Representative

- a) The contractor shall submit an application in the prescribed format along with all documents mentioned at Para 3 for issuing entry pass. The application shall be duly recommended by concerned HOD of work awarding Department. The application shall be submitted to welfare section 7 days prior to attending HSE Induction training.
- b) The newly hired workman/Supervisor/ Representative shall undergo HSE Induction Training conducted by S&F Department on every Tuesday (Hindi) and Wednesday (Malayalam).
- c) Permission for entry to attend HSE Induction training can be obtained by sending Email to Sannidhi gate from concerned work awarding department.

- d) On receipt of list of persons who have successfully completed HSE Induction training from S&F Department, Assess Control Card (ACC) No. will be issued to each workmen/ Supervisor/ Representative.

(ii) Issue of Entry Pass to Workman/ Supervisor/ Representative through contractors directly registered with ESIC/ EPF

The procedure for issue of entry passes to Workman/ Supervisor/ Representative through contractors possessing individual ESIC/EPF Registration number will be same as mentioned in Para 4 (i) above. However, the following documents may be mandatory:

- a) PF Nomination
- b) Savings A/c Passbook and IFS Code
- c) Aadhar

In such cases the details of ESI/ EPF of the worker shall be mentioned in the personal Bio data form and necessary ESI/EPF Challan and ECR should be submitted to welfare section by 5th of every month, as having remitted the contributions in respect of the workman/ Supervisor/ Representatives (Attendance sheet to be marked “ESI/EPF DIRECT”)

(iii) Issue of Workman/ Supervisor/Representative exempted from ESI/EPF Coverage.

If any Workman/ Supervisor/Representative is exempted from ESI/EPF owing to “above wage limit” (₹ 15000/- PM for EPF and ₹ 21000/- PM for ESI), a copy of Employees Compensation Package (Preferably covering medical treatment expenses also) taken in respect of the Workman/ Supervisor/Representative engaged for work in CSL, shall be submitted to welfare section along with joint declaration signed by the worker, contractor/ contracting firm and duly counter signed by concerned HOD.

(iv) Issue of Entry Pass to Service Engineer.

- a) Based on the E-mail from concerned work awarding department, entry will be permitted to service engineers for part time work or for a period upto 6 days on production of valid ID proof subject to attending a preliminary safety awareness programme arranged at Sannidhi gate. In case of part time work, work awarding department shall clearly specify the periodicity of the work for incorporating same in the entry pass.
- b) If the Service Engineers requires entry pass for more than 6 days, he/she shall attend HSE Induction training conducted by S&F Dept. and submit relevant document as mentioned at Para 3.

OTHER CONDITIONS

- a) Entry will be permitted strictly to Workman/ Supervisor/ Representative aged below 60 years only. No entry will be permitted to any person above 60 years under any circumstances.
- b) Details of Workman/ Supervisor/Representative available in Aadhar (Name, DOB, Gender etc) should exactly match with the details given in Age proof certificate of the Workman/ Supervisor/Representative. In case of any correction in the above particulars, the same has to be done before attending the HSE Induction Training.
- c) Contractor shall submit attendance of all the Workman/ Supervisor/Representative engaged by them including newly hired Workman/ Supervisor/Representative by 5th of every month in variably failing which necessary justification shall be obtained and any penalty/ interest/ fine charged by statutory authority will be borne by the contractor.
- d) No entry will be permitted without attending HSE Induction training conducted by S&F Dept.
- e) No passes will be issued for Workman/ Supervisor and contractor if the above guidelines are not complied in all aspects.
- f) ii) Safety violation if found the contractor will be liable fine as per the contract OR cancellation of contract as decided by the competent authority.
- g) iii) The above directions shall be read with the other existing rules.

Security Instructions

1. Cochin Shipyard Limited is an ISPS code compliant Port Facility and is required to maintain the security level declared by the Government of India from time to time. The premises of Cochin Shipyard Limited is a 'Prohibited Area' under the official secrets Act. All contractor and their personnel are bound to comply with security instructions/orders of the Shipyard issued from time to time.
2. All contractors and contract workmen should have valid entry pass issued by CSL or accepted as equivalent by the CSL and they shall enter the yard through Sannidhi Gate.
3. All movements of all persons entering through Sannidhi Gate should be recorded in the Access Control System at the gate.
4. 100% checking and frisking of all contractor/contract workmen entering into yard will be done.
5. All vehicles entering CSL shall have vehicle entry pass either conspicuously on the vehicles or endorsed in the entry pass. Vehicles carrying materials shall have material

entry pass. Such material carrying vehicles shall be permitted entry to factory area by the Blue Security or production of material pass. All contractors and their workmen shall keep their personal vehicles in the parking area neat Sannidhi gate.

6. All persons engaged for various works in CSL through contractors should produce the following documents prior to issuing their entry passes;
 - a) Attested copy of any of the documents mentioned below:
 - i. Photo identity card issued by Government bodies
 - ii. Electoral identify card with clear and address particulars.
 - iii. Driving licence with photo and address particulars
 - iv. Passport /attested copy of passport with photo and address particulars.
 - v. Police clearance certificate with photo and address particulars.

No person above 58 years shall be permitted entry into the yard for any work except otherwise specially permitted by the occupier of the factory.

 - b) Police clearance certificate of not less than six months old to the effect that the concerned person is staying in the area of jurisdiction of the certificate issuing Police Station and that the person is not involved in any criminal offences as per the records available.
 - c) Application and declaration for enrolling under Employees' Provident Fund ESI Scheme. Three passport size photograph of the individuals and two copies of family photographs of the member.
 - d) Safety awareness Programme attendance certificate issued by CSL.
 - e) Medical fitness Certificate by any Registered Medical Practitioner in the prescribed format.
7. Mobile phone with camera is strictly prohibited inside the Shipyard. No contract workmen shall use mobile phone at factory area.

**Quality, health, safety & Environment (QHSE) policy of CSL to
be complied by the contractor.**

1. CSL implemented an Integrated Management System (IMS) consisting of Environmental Management System (EMS), Occupational Health and Safety Management System (OHSMS) and the quality Management system (QMS) within the yard. As part of implementation of IMS, contractors shall comply with the following measures related to the Quality, health, safety & Environment (QHSE) policy of CSL.
 - a) Meeting or exceeding customer requirements.
 - b) Assuring quality of the products and service.
 - c) Preventing occupational ill health & injuries.
 - d) Enduring safe work sites.
 - e) Conserving natural resources.
 - f) Preventing /Minimizing air, water & land pollution
 - g) Handling and disposal of hazardous wastes safely.
 - h) Complying with and statutory & regulatory and other requirements.
 - i) Development skills and motivating employees.
2. Occupational Health, safety & Environmental requirements of CSL shall include the following.
 - a. The Contractor (or a sub-contractor performing work on behalf of the contractor) is deemed to comply with the occupational Health, Safety and Environmental policy of the company and also to all operational controls/standard operating procedures and shall undertake the work in total compliance with requirements of the established Integrated Management (IMS) of the company.
 - b. The contractor shall undertake the work in total compliance with all applicable legal/statutory requirements related to Occupational Health, Safety and Environment effect in the state of Kerala.
 - c. It is the sole responsibility of the contractor to assure that any sub-contractor/s who shall perform works in company lands/facilities/worksites on behalf of the contractor, is also following all requirement related to the Integrated Management System of the company and the Health /Safety/Environmental Rules effective in the state of Kerala.

- d. The contractor shall provide/implement and operate/practise all Occupational Health, Safety and Environmental Management measures/facilities, for their period of contract, in their activities/at their work sites, which shall be required according to the IMS of the company or that required by the Health /Safety/Environmental Rules established and effective in the state, at their own cost.
- e. If any contractor failed to comply with or violated any clause/requirements of Occupational Health /Safety/Environmental Rules effective in the state, in their activities at work sites and the same shall be exposed to the Government or any competent authorities upon inspections, the contractor shall be solely responsible for all liabilities caused by his/her action and shall be responsible for paying the penalty and taking stipulated corrective actions insisted by the authorities within the specified time, their own cost. Any liability to the company in this regard needs to be compensated by the contractor.
- f. Upon completion of the work, contractor shall clear the area and shall not leave any Occupational Health /Safety/Environmental liabilities to the company, from their activities at the worksites.
- g. Any clarification related to IMS requirements of the yard, may be obtained by the contractor from the authorized representative of the contract, prior to the commencement of work.

Form of Bank Guarantee (for EMD)

This deed of GUARANTEE made onday ofTwo thousand fifteen BETWEEN CSL on the one part and.....

(Name and address of the bank) of the other part is as follows:-

In consideration of the CSL having allowed M/s.....hereinafter referred to as ‘the Contractor’) to submit Tender No..... to them without Earnest Money according to the conditions of such Tender Notification, We.....(here enter the name of ‘the Bank’) a Company incorporated under theAct and having its registered office at(hereinafter referred to as ‘the bank’) undertake to pay to CSL on demand at Cochin the sum of money payable as Earnest Money in respect of the Tender No.....made by the Contractor in case the Contractor withdraws the tender before the date of firmness stipulated or when the tender is accepted by or on behalf of the CSL the Contractor makes default in furnishing the Security Deposit or in entering into an agreement as required by the CSL or otherwise commits any breach of the terms and conditions of the tender.

We (*name of bank*),.....Bank Guarantee to pay the amount due and payable under this guarantee without any demur merely on demand from the CSL. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. The liability of the surety shall be restricted to `.....(.....only).

This guarantee shall not be avoided, released or affected by any variation in the terms of the tender, acceptance or the contract between the Contractor and the CSL or any neglect indulgence or forbearance by the CSL.

This guarantee shall remain in full force and effect during the period that would be taken for the finalization of the tender and till the CSL certifies that the terms and conditions of the said tender have been fully and properly carried out by the said contractor and accordingly discharges this guarantee or for Six Months from the date of issue of this guarantee whichever is earlier. A notice of the claim under this guarantee may be served on the Bank within Six Months after the said period in which case the same shall be enforceable against the Bank notwithstanding the fact that the same is enforced after the expiry of the said period.

The decision of the Deputy General Manager (Civil), CSL as to whether the occasion or the ground has arisen for the demand of the surety form Bank shall be final. The CSL shall be at liberty to act as though the Bank were the principal debtor.

We, the said Bank lastly undertake not to revoke this guarantee during its currency except with the previous consent of the CSL in writing and agree that any change in the constitution of the said contractor or the said Bank shall not discharge our liability hereunder.

This bank guarantee shall be operative only on..... (issuing branch sending a separate advice to SBI bank, Cochin Shipyard branch (Name of advising bank/branch of beneficiary) through Structured Financing Messaging System (SFMS). The letter of advice of SFMS issued by the advising bank shall form a part of this guarantee.

In witness whereof we have here unto set our hand and seal this.
..... day of.....
..... Two thousand and

Place :

Date :

Witnesses : 1.

2.

PROFORMA OF BANK GUARANTEE (FOR PERFORMANCE GUARANTEE)

In consideration of the Cochin Shipyard Limited (hereinafter called CSL) having offered to accept the terms and conditions of the proposed agreement between CSL and..... (Hereinafter called “the said contractor(s)” for the work of “.....” as per work order No..... dated(hereinafter called “the said agreement”) having agreed to production of an irrevocable Bank Guarantee for Rs..... (Rupees.....only) as a security/guarantee from the contractor(s) for compliance of his obligations in accordance with the terms and conditions in the said agreement.

1. We(*Name of Bank*) (Hereinafter referred to as the “Bank”) at the request of CSL hereby undertake to pay an amount not exceeding Rs (Rupees.....only) on demand.
2. We(*Name of Bank*) do hereby undertake to pay the amounts due and payable under this Guarantee without any demur, merely on a demand from CSL stating that the amount claimed is required to meet the recoveries due or likely to be due from the said contractor(s). Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs..... (Rupees.....only).
3. We, the said Bank, further undertake to pay to CSL any money so demanded notwithstanding any dispute or disputes raised by the contractor(s) in any suit or proceeding pending before any Court or Tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment there under, and the contractor(s) shall have no claim against us for making such payment.
4. We(*Name of Bank*).....further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement, and it shall continue to be enforceable till all the dues of CSL under or by virtue of the said agreement have been fully paid, and its claims satisfied or discharged, or till the Engineer-in-charge, on behalf of CSL, certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor(s), and accordingly discharges this guarantee.
5. We(*Name of Bank*).....further agree with CSL that CSL shall have the fullest liberty without our consent, and without effecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by CSL against the said contractor(s), and to forbear or enforce any of the terms and conditions relating to the said agreement, and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said contractor(s) or for any forbearance, act of omission on the part of CSL or any indulgence by CSL to the said contractor(s) or by any such

matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.

6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the contractor(s).
7. We (*Name of Bank*).....lastly undertake not to revoke this Guarantee except with the previous consent of CSL in writing.
8. This Guarantee shall be valid up tounless extended on demand by CSL. Notwithstanding anything mentioned above, our liability against this Guarantee is restricted to Rs (Rupeesonly), and unless a claim in writing is lodged with us within six months of the date of expiry or extended date of expiry of this Guarantee all our liabilities under this Guarantee shall stand discharged.

Dated theday of.....

SIGNATURE AND SEAL OF BANK

FULL ADDRESS OF THE BANK

PROFORMA OF BANK GUARANTEE (FOR SECURITY DEPOSIT)

Guarantee No.....

Amount of Guarantee `.....

Guarantee Cover From.....

Last Date of Lodgment of Claim.....

1. In consideration of the Cochin Shipyard Limited (hereinafter called CSL) having agreed to exempt.....(hereinafter called “The said Contractor(s)” from the demand, under the terms and condition of an Agreement between CSL and for the execution of the work of “.....” as per work order No..... dated..... (hereinafter called “the said agreement”) of Security Deposit for the due fulfillment by the said contractor(s) of the terms and conditions contained in the said agreement, on production of a Bank Guarantee for `..... (Rupees.....only)

We..... (*Name of Bank*) (hereinafter referred to as “the Bank”) at the request of CSL do hereby undertake to pay to CSL an amount not exceeding ` (Rupeesonly) on demand.

2. We (*name of bank*)..... do hereby unconditionally and irrevocably undertake to pay CSL to the extent of `/-(Rupees.....Only) without any demur merely on a demand from CSL stating that the amount claimed is due by way of loss or damage caused to or suffered by the CSL by reason of breach by the Contractor of any of the terms and conditions contained in the said contract. Any such demand made to the (*name of bank*)..... shall be conclusive as regards to the amount due payable by the bank under this Guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding ` (Rupees..... Only)

3. Our liability under this present guarantee is absolute and unequivocal and we undertake to pay CSL the amount so demanded without seeking the consent of the Contractor and notwithstanding the raising any dispute and/or disputes or filing any suit or proceeding before any court or tribunal Authority. The payment so made by us under this guarantee shall be a valid discharge of our liability for payment here under and the Contractor shall have no claim against us for making such payment.

4. Notwithstanding anything to the contrary, CSL’s decision as to whether the Contractor has made any default or defaults and the amounts to which CSL is entitled by reason therefore shall

be binding on us and we shall not be entitled to ask the CSL to establish the claims under the guarantee but will pay the same on demand without objection.

5. We, (*name of bank*).....further agree that the guarantee herein contained shall remain in full force and effect during the periods that would be taken for the performance of the said contract and that it shall continue to be enforceable till all the dues of CSL under or by virtue of the said contract have been fully paid and its claims satisfied or discharged and till CSL certifies that the terms and conditions of the said contract have been fully and properly carried out by the said contractor and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or beforewe shall be discharged from all liability under this guarantee thereafter.
6. This guarantee shall not be recoverable by us except with the written consent of CSL and shall continue to be enforceable till should it be necessary to extend this guarantee beyond the said date. We undertake to extend the validity of this guarantee beyond the said date, for such further period as may be required by CSL, subject to CSL giving in writing to Contractor the request for extension, and such extension shall be given before the expiry of the forthwith become payable to CSL, notwithstanding that the contract is continuing and/or CSL has or has not terminated the contract or preferred any claim against the Contractor.
7. We (*name of bank*)..... further agree with CSL that, CSL shall have the fullest liberty without our consent and without affecting any manner our obligations hereunder to vary any of the terms and conditions of the said contract or to extend the time of guarantee by the said Contractor from time to time or to postpone for any time or from time to time exercise any of the powers exercisable by CSL against the said Contractor and to forebear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Contractor or any indulgence which under the law relating to sureties, would but for this provision, have effect of so relieving us.
8. This guarantee shall not in any way be affected due to change in our constitution or by your taking or varying or giving up any securities from the Contractor or any other person, firm or CSL on its behalf or by change in the constitution, winding up, dissolution, insolvency or death as the case may be of the contractor.
9. In order to give full effect to the Guarantee herein contained you shall be entitled to act as if we are your principal debtors in respect of all your claims against the contractor hereby guaranteed by us as aforesaid and we here by expressly waive all our right of surety ship and other rights if any which are in any way inconsistent with the above or any other provisions of this guarantee.

10. We, (*name of bank*)..... also undertake not to revoke this guarantee during its currency except with the previous consent of CSL in writing.

11. Notwithstanding anything contained herein above:

a. Our Liability under this guarantee shall not exceed `...../-(`.....Only).

b. This Bank Guarantee shall be valid up to and including and

c. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only and only if you serve upon us a written claim or demand on or before the expiry of this Guarantee.

This bank guarantee shall be operative only on..... (issuing branch sending a separate advice to SBI bank, Cochin Shipyard branch (Name of advising bank/branch of beneficiary) through Structured Financing Messaging System (SFMS). The letter of advice of SFMS issued by the advising bank shall form a part of this guarantee.

Dated theday of.....

SIGNATURE AND SEAL OF BANK

FULL ADDRESS OF THE BANK

PROFORMA OF SCHEDULES

1. Cost of tender ₹.....
2. EMD ₹.....
3. Time allowed for execution of work.months.
4. Number of days from the date of work order for reckoning date of startdays.
5. Period of defect liability
6. Issue of electricity and water by CSL - Free of cost (subject to available)
7. Escalation available Yes/No
8. Schedule of materials issued free of cost.

Sl. No	Description of item	Quantity	Place of Issue	Remarks
1	2	3	4	5

9. Schedule of machineries and tools issued free.

Sl. No	Description	Place of Issue	Remarks
1	2	3	4

10. Mile stones:-

Sl No	Description of Milestone (Physical)	Time Allowed in days (from date of start)	Remarks
1			
2			
3			
4			

Undertaking by the bidders

I/We have read and examined the Notice Inviting Tender, Tender Schedule, Specifications, Drawings & Designs, General rules, Conditions & Clauses of Contract, Special Conditions, Safety/Security rules, integrity pact etc and Act/ Rules referred to in the General Conditions of Contract and all other contents in the Tender Document for this work.

I/We hereby tender for the execution of the work specified in the schedule of quantities and in accordance with the specifications, designs, drawing and instructions in writing, General Conditions of Contract, approved materials etc.

I/We agree to keep the tender open for ninety (90)* days from the due date of its opening unless otherwise specified in the NIT.

(* The validity period of the tender shall be modified (if required) as per requirement.)

The EMD is hereby forwarded in fixed deposit receipt of a scheduled bank (pledged in favour of CSL)/demand draft of a scheduled bank/bank guarantee issued by a scheduled bank as Earnest Money **(strike out as the case may be)**.

A copy of fixed deposit receipt of scheduled bank/demand draft of a scheduled bank/bank guarantee issued by a scheduled bank, furnished as Earnest Money is scanned and uploaded (**for e-tender only and strike out as the case may be**).

If I/We, fail to furnish the prescribed Performance Guarantee within prescribed period, I/We agree that CSL shall without prejudice to any other right or remedy, be at liberty to forfeit the said Earnest Money absolutely. Further, if I/We fail to commence work as specified, I/We agree that CSL shall without prejudice to any other right or remedy available in law, be at liberty to forfeit the said Performance Guarantee absolutely. The said Performance Guarantee shall be a guarantee to execute all the works referred to in the tender documents upon the terms and conditions contained or referred to those in excess of that limit at the rates to be determined in accordance with the provisions contained in the tender.

Further, I/We agree that in case of forfeiture of Earnest Money or Performance Guarantee as aforesaid, I/We shall be debarred for participation in the re-tendering process and future tenders in CSL.

I/We undertake and confirm that eligible similar works furnished for the prequalification has/have not been got executed through another contractor on back to back basis. Further that, if such a violation comes to the notice of CSL, then I/We shall be debarred for tendering in CSL in future. Also, if such a violation comes to the notice of CSL before date of start of work, the Engineer-in-Charge shall be free to forfeit the entire amount of Earnest Money Deposit/Performance Guarantee.

I/We hereby declare that I/We shall treat the tender documents drawings and other records connected with the work as secret/confidential documents and shall not communicate information/derived there from to any person other than a person to whom I/We am/are authorized to communicate the same or use the information in any manner prejudicial to the safety/security of CSL and CSL activities.

Dated:

Signature of Contractor

Postal Address:

Email ID:

Telephone No :



कोचीन शिपयार्ड लिमिटेड

(भारत सरकार का श्रेणी 1 मिनि रत्न कंपनी, पोत परिवहन मंत्रालय)

COCHIN SHIPYARD LIMITED

(A Government of India Category-1 Miniratna Company, Ministry of Shipping)

पंजीकृत कार्यालय : प्रशासनिक भवन, पी.ओ.बैग सं 1653, पेरुमानूर पी. ओ., कोच्ची- 682 015
Registered Office : Administrative Building, P.O. Bag No. 1653, Perumanoor P.O., Kochi - 682 015
फोन / Phone : +91(484) 2501492/2501359 फाक्स / Fax : +91 (484) 2370897
वेबसाइट / Website : www.cochinshipyard.com CIN: U63032KL1972GOI002414