

**PART- I**

**CHAPTER- IV**

**GENERAL CONDITIONS OF CONTRACT**

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#### GENERAL CONDITIONS OF CONTRACT

##### DEFINITIONS AND INTERPRETATION

**1. (1) Definition:** - In these General conditions of Contract, the following terms shall have the meaning assigned hereunder except where the context otherwise requires: -

- (a) **“DFCCIL”** shall mean Dedicated Freight Corridor Corporation of India Ltd, a Govt. of India Enterprise (under Ministry of Railways) and a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 5<sup>th</sup> Floor, Supreme Court Metro Station Complex, New Delhi-110001 represented through its Managing Director or CGM/GM (hereinafter referred to as **“DFCCIL”**) which expression shall, unless repugnant to the context, be deemed to include its successors and assigns.
- (b) **“MD/DFCCIL”** shall mean the officer - in-charge of the General Superintendence and Control of the DFCCIL (MD) and shall mean and include their successors, of the successor of DFCCIL (hereinafter referred to as **“MD/DFCCIL”**).
- (c) **“CGM”** shall mean the officer -in-charge of the CGM unit of DFCCIL and shall also include GM(Co) of DFCCIL.
- (d) **“Engineer”** shall mean Dy. CPM/DFCCIL or any other superior official of DFCCIL or PMC appointed by DFCCIL.
- (e) **“Engineer’s Representative”** shall mean the PM/Dy. PM / APM / Sr. Executive/Executive in direct charge of the work and shall include appointed by the DFCCIL and shall mean and include the Engineer’s Representative of the successor DFCCIL.
- (f) **“Contractor”** shall mean the Person / Firm /Co-operative Society or Company whether incorporated or not who enters into the contract with the DFCCIL and shall include their executors, administrators, and successors and permitted assigns.
- (g) **“Contract”** shall mean and include the Agreement of Work Order, the accepted Schedule of Rates or the Schedule or Rates of CPWD modified by the tender percentage for items of works quantified, or not quantified, the Standard General Conditions of Contract, the Special Conditions of Contracts, if any; the Drawing, the Specifications, the Special Specifications, if any and Tender Forms, if any and all other documents included as part of contract.
- (h) **“Works”** shall mean the works to be executed in accordance with the contract.
- (i) **“Specifications”** shall mean the Standard Specifications for Materials & Works referred/mentioned in tender documents or CPWD or as specified by DFCCIL under the authority of the CGM or as amplified, added to or superseded by Special Specifications, if any.
- (j) **“Schedule of rates of DFCCIL”** shall mean rates specified in “Schedules” of the tender document

or Delhi Schedule of Rates (DSR) of CPWD issued by CPWD from time to time.

- (k) **“Drawing”** shall mean the maps, drawings, plans and tracings or prints there of annexed to the contract and shall include any modifications of such drawings and further drawings as may be issued by the Engineer from time to time.
- (l) **“Constructional Plant”** shall mean all appliances or things of whatsoever nature required for the execution, completion or maintenance of the works or temporary works (*as hereinafter defined*) but does not include materials or other things intended to form or forming part of the permanent work.
- (m) **“Temporary Works”** shall mean all temporary works of every kind required for the execution completion and/or maintenance of the works.
- (n) **“Site”** shall mean the lands and other places on, under, in or through which the works are to be carried out and any other lands or places provided by the DFCCIL for the purpose of the contract.
- (o) **“Period of Maintenance”** shall mean the specified period of maintenance from the date of completion of the works, as certified by the Engineer.
- (p) **‘Contractor’s authorized Engineer’** shall mean a graduate Engineer or equivalent, having experience in the relevant field of construction work involved in the contract, duly approved by Engineer.
- (q) Date of inviting tender shall be the date of publishing tender notice on IREPS website if tender is published on website or the date of publication in newspaper in case tender is not published on website.

**1. (2) Singular and Plural:** - Words importing the singular number shall also include the plural and vice versa where the context requires.

**1.(3) Headings & marginal headings:** -The headings and marginal headings in these Standard General Conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof or the contract.

### **GENERAL OBLIGATION**

**2. (1) Execution Co-relation and intent of contract Documents:** -The contract documents shall be signed in triplicate by the DFCCIL and the Contractor. The contract documents are complementary, and what is called for by any-one shall be as binding as if called for by all, the intention of the documents is to include all labour and materials, equipments and transportation necessary for the proper execution of work. Materials or work not covered by or properly inferable from any heading or class of the specifications shall not be supplied by the DFCCIL to the contractors unless distinctly specified in the contract documents. Materials or works described in words which so applied have a well-known technical or trade meaning shall be held to refer to such recognized standards.

**2.(2)** If a work is transferred from one CGM unit to another CGM or vice versa while contract is in subsistence, the contract shall be binding on the Contractor and the Successor CGM unit in the same manner & take

effect all respects as if the Contractor and the Successor CGM unit were parties there to from the inception and the corresponding officer or the Competent Authority in the Successor CGM unit will exercise the same powers and enjoy the same authority as conferred to the Predecessor CGM unit under the original contract/agreement entered into.

- 2.(3)** If for administrative or other reasons, the contract is transferred to the Successor CGM unit of DFCCIL, the contract shall notwithstanding any things contained herein contrary there to, be binding on the Contractor and the Successor CGM unit of DFCCIL in the same manner and take effect in all respects as if the Contractor and the Successor CGM unit of DFCCIL had been parties thereto from the date of this contract.
- 3.(1) Law governing the contract:** -The contract shall be governed by the law for the time being in force in the Republic of India.
- 3.(2) Compliance to regulations and bye-laws:**-The contractor shall conform to the provision of any statute relating to the works and regulations and bye-laws of any local authority and of any water and lighting companies or undertakings, with whose system the work is proposed to be connected and shall before making any variation from the drawings or the specifications that may be necessitated by so confirming give to the Engineer notice specifying the variation proposed to be made and the reasons for making the variation and shall not carry out such variation until he has received instructions from the Engineer in respect thereof. The contractor shall be bound to give all notices required by statute, regulations or bye-laws as aforesaid and to pay all fees and taxes payable to any authority in respect thereof.
- 4. Communications to be in writing:** - All notices, communications, reference and complaints made by the DFCCIL or the Engineer or the Engineer's representative or the contractor inter-se concerning the work shall be in writing or e-mail on registered e-mail ID's and no notice, communication, reference or complaint not in writing or through e-mail, shall be recognized.
- 5. Service of Notices on Contractors:**-The contractor shall furnish to the Engineer the name designation and address of his authorized agent and all complaints, notices, communications and references shall be deemed to have been duly given to the contractor if delivered to the contractor or his authorized agent or left at or posted to the address so given and shall be deemed to have been so given in the case of posting on day on which they would have reached such address in the ordinary course of post or on the day on which they were so delivered or left. In the case of contract by partners, any change in the constitution of the firm shall be forthwith notified by the contractor to the Engineer.
- 6. Occupation and use of land:** - No land belonging to or in the possession of the DFCCIL shall be occupied by the Contractor without the permission of the DFCCIL. The Contractor shall not use, or allow to be used; the site for any purposes other than that of executing the works. Whenever non-railway bodies/persons are permitted to use DFCCIL premises with competent authority's approval, conservancy charges as applicable from time to time may be levied.
- 7. Assignment or Subletting of Contract:** The Contractor shall not assign or sublet the contract or any part thereof or allow any person to become interested therein in any manner whatsoever without the special permission in writing of the Chief Engineer, save as provided below. Any breach of this condition shall entitle the Railway to rescind the contract under Clause 62 of these Conditions and also render the

Contractor liable for payment to the Railway in respect of any loss or damage arising or ensuing from such cancellation: provided always that execution of the details of the work by petty Contractor under the direct and personal supervision of the Contractor or his agent shall not be deemed to be sub-letting under this clause.

In case Contractor intends to subcontract part of work, he shall submit a proposal in writing seeking permission of Chief Engineer for the same. While submitting the proposal to railway, Contractor shall ensure the following:

(a) (i) Total value of work to be assigned to sub-contractor(s) shall not be more than 50% of total contract value.

(ii) The subcontractor shall have successfully completed at least one work similar to work proposed for subcontract, costing not less than 35% value of work to be subletted, in last 5 years through a works contract. For fulfilment of above, Work Experience Certificate issued by a Govt. Department/Organisation shall be considered. Further, Work Experience Certificate issued by a Public listed company shall be considered provided the company is having average annual turnover of Rs 500 crore and above in last 3 financial years excluding the current financial year, listed on National Stock Exchange or Bombay Stock Exchange, registered at least 5 years back from the date of submission of proposal by Contractor to Railway and work experience certificate issued by a person authorised by the Public Listed Company to issue such certificates. Note: For subletting of work costing up to Rs 50 lakh no previous work experience shall be asked for by the Railway.

In case contractor submits subcontractor's work experience certificate issued by public listed company, the contractor shall also submit along with work experience certificate, the relevant copy of work order, bill of quantities, bill wise details of payment received duly certified by Chartered Accountant, TDS certificates for all payments received and copy of final/last bill paid by company in support of above work experience certificate.

(iii) There is no banning of business with the sub-contractor in force over IR.

(b) The Contractor shall provide to the Engineer a copy of the agreement to be entered into by Contractor with subcontractor. No subcontractor shall be permitted without a formal agreement between Contractor and subcontractor. This agreement shall clearly define the scope of work to be carried out by subcontractor and the terms of payment in clear & unambiguous manner.

(c) On receipt of approval from Chief Engineer, Contractor shall enter into a formal agreement legally enforceable in Court of Law with subcontractor and submit a copy of the same to the Engineer.

(d) The Contractor shall intimate to the Engineer not less than 7 days in advance, the intended date of commencement of subcontractor's work.

(e) Once having entered into above arrangement, Contractor shall discontinue such arrangement, if he intends to do so at his own or on the instructions of Railway, with prior intimation to Chief Engineer.

(f) The Contractor shall indemnify railway against any claim of subcontractor.

(g) The Contractor shall endeavour to resolve all matters and payments amicably and speedily with the subcontractor.

(h) In addition to issuance of work experience certificate to Contractor, the Engineer, when, based on documents, is satisfied that subcontracted work has been carried out by subcontractor, shall issue work experience certificate to the subcontractor also for the portion of work subcontracted and successfully completed by the sub-contractor. Note: Work Experience Certificate to the subcontractor shall be issued only when the contractor's work is complete and contractor is entitled for the issuance of Work Experience Certificate. However, in the same contract, when the Chief Engineer, based on documents,

is satisfied that the subcontractor has successfully carried out subletted work, without issuance of work experience certificate to subcontractor at this stage, the Chief Engineer can, **only once**, consider the successfully completed subletted work for the fulfilment of eligibility for further subletting of work to the subcontractor in the same contract. When the contractor's work is complete and contractor is entitled for the issuance of work experience certificate, the subcontractor shall be issued one Work Experience Certificate for the total scope of work executed by the subcontractor in the contract.

- (i) The responsibility of successful completion of work by subcontractor shall lie with Contractor. Subcontracting will in no way relieve the Contractor to execute the work as per terms of the Contract.
- (j) Further, in case Engineer is of the view that subcontractor's performance is not satisfactory, he may instruct the Contractor to remove the subcontractor from the work and Contractor has to comply with the above instructions with due promptness. Contractor shall intimate the actual date of discontinuation of subcontract to Engineer. No claim of Contractor whatsoever on this account shall be entertained by the Railway and this shall be deemed as 'excepted matter' (matter not arbitrable).
- (k) The permitted subcontracting of work by the Contractor shall not establish any contractual relationship between the sub-contractor and the Railway and shall not relieve the Contractor of any responsibility under the Contract.

**8. Assistance by the DFCCIL for the Stores to be obtained by the Contractor:** - Owing to difficulty in obtaining certain materials (including Tools & Plant) in the market, the DFCCIL may have agreed without any liability therefore to endeavour to obtain or assist the contractor in obtaining the required quantities of such materials as may be specified in the tender. In the event of delay or failure in obtaining the required quantities of the aforesaid material the contractor shall not be deemed absolved of his own responsibility and shall keep in touch with day to day positions regarding their availability and accordingly adjust progress of works including employment of labour and the DFCCIL shall not in any way be liable for the supply of materials or for the non-supply thereof for any reasons whatsoever nor for any loss or damage arising in consequence of such delay or non-supply.

**9. Deleted**

**10. Deleted**

**11. Deleted**

**12. Representation on Works:-** The contractor shall, when he is not personally present on the site of the works place and keep a responsible agent at the works during working hours who shall on receiving reasonable notice, present himself to the Engineer and orders given by the Engineer or the Engineer's representative to the agent shall be deemed to have the same force as if they had been given to the Contractor. Before absenting himself, the contractor shall furnish the name and address of his agent for the purpose of this clause and failure on the part of the Contractor to comply with this provision at any time will entitle the DFCCIL to **rescind the contract** under clause 62 of these conditions.

**13. Relics and Treasures:-** All gold, silver, oil, other minerals of any description, all precious stones, coins, treasures relics antiquities and other similar things which shall be found in or upon the site shall be the property of the DFCCIL and the Contractor shall duly preserve the same to the satisfaction of the DFCCIL and shall from time to time deliver the same to such person or persons as the DFCCIL may appoint to receive the same.

- 14. Excavated material:-**The contractor shall not sell or otherwise dispose of or remove except for the purpose of this contract, the sand, stones, clay, ballast, earth, trees, rock or other substances or materials which may be obtained from any excavation made for the purpose of the works or any building or produced upon the site at the time of delivery of the possession thereof but all the substances, materials, buildings and produce shall be the property of the DFCCIL provided that the contractor may, with the permission of the Engineer, use the same for the purpose of the works either free of cost or pay the cost of the same at such rates as may be determined by the Engineer.
- 15. Indemnity by Contractors:** The Contractor shall indemnify and save harmless the DFCCIL from and against all actions, suit, proceedings, losses, costs, damages, charges, claims and demands of every nature and description brought or recovered against the DFCCIL by reason of any act or omission of the contractor, his agents or employees, in the execution of the works or in his guarding of the same. All sums payable by way of compensation under any of these conditions shall be considered as reasonable compensation to be applied to the actual loss or damage sustained, and whether or not any damage shall have been sustained.
- 16.(1) Security Deposit:** - The Earnest Money deposited by the Contractor with his tender will be retained by the DFCCIL as part of security for the due and faithful fulfillment of the contract by the Contractor. The Security Deposit shall be 5% of the contract value. Security Deposit may be deposited by the Contractor before release of first on account bill in cash or Term Deposit Receipt issued from Scheduled Bank, or may be recovered at the rate of 6% of the bill amount till the full Security Deposit is recovered. Provided also that in case of defaulting Contractor, the DFCCIL may retain any amount due for payment to the Contractor on the pending "on account bills" so that the amounts so retained (including amount guaranteed through Performance Guarantee) may not exceed 8% of the total value of the contract.

Further, in case of contracts having value equal to or more than ₹ 50 crore (Rs Fifty crore) the Security Deposit may be deposited as Bank Guarantee Bond also, issued by a scheduled bank after execution of contract documents, but before payment of 1st on account bill. Provided further that the validity of Bank Guarantee Bond shall be extended from time to time, depending upon extension of contract granted in terms of Clause 17 of the Standard General Conditions of Contract.

Further, in case Security Deposit has been submitted as Term Deposit Receipt/Bank Guarantee Bond in full amount, the Earnest Money deposited by the Contractor with his tender will be returned by the DFCCIL.

Note: After the work is physically completed as certified by competent authority, Security Deposit recovered from the running bills of a Contractor can be returned to him, if he so desires, in lieu of Term Deposit Receipt/irrevocable Bank Guarantee for equivalent amount from Scheduled Bank, to be submitted by him.

- 16.(2)(i) Refund of Security Deposit:** Security Deposit mentioned in sub clause (1) above shall be returned to the Contractor along with or after, the following:
- (a) Final Payment of the Contract as per clause 51. (1) **and**
  - (b) Execution of Final Supplementary Agreement or Certification by EngineerL that DFCCIL has No Claim on Contractor **and**

(c) Maintenance Certificate issued, on expiry of the maintenance period as per clause 50. (1), in case applicable.

**16.(2)(ii)** Forfeiture of Security Deposit: Whenever the contract is rescinded as a whole under clause 62 (1) of GCC, the Security Deposit already with DFCCIL under the contract shall be forfeited. However, in case the contract is rescinded in part or parts under clause 62 (1) of GCC, the Security Deposit shall not be forfeited.

**16.(3)** No interest shall be payable upon the Earnest Money and Security Deposit or amounts payable to the Contractor under the Contract, but Government Securities deposited in terms of Sub-Clause 16. (4)(b) of this clause will be payable with interest accrued thereon.

**16.(4) Performance Guarantee**

The procedure for obtaining Performance Guarantee is outlined below:

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

In all other cases, if the Contractor fails to submit the requisite PG even after 60 days from the date of issue of LOA, the contract is liable to be terminated. In case contract is terminated DFCCIL shall be entitled to forfeit Earnest Money Deposit and other dues payable against that contract. In case a tenderer has not submitted Earnest Money Deposit on the strength of their registration as a Startup recognized by Department of Industrial Policy and Promotion (DIPP) under Ministry of Commerce and Industry, DIPP shall be informed to this effect.

The failed Contractor shall be debarred from participating in re-tender for that work.

(b) **The successful bidder shall submit the Performance Guarantee (PG) in the form of Irrevocable Bank Guarantee amounting to 3% of the Contract value.**

(c) The Performance Guarantee shall be submitted by the successful bidder after the Letter of Acceptance (LOA) has been issued, but before signing of the contract agreement. This P.G. shall be initially valid upto the stipulated date of completion plus 60 days beyond that. In case, the time for completion of work gets extended, the Contractor shall get the validity of P.G. extended to cover such extended time for completion of work plus 60 days.

(d) The value of PG to be submitted by the Contractor will not change for variation upto 25% (either increase or decrease). In case during the course of execution, value of the contract increases by more than 25% of the original contract value, an additional Performance Guarantee amounting to 3% (three percent) for the excess value over the original contract value shall be deposited by the Contractor. On the other hand, if the value of contract decreases by more than 25% of the original contract value, Performance Guarantee amounting to 3% (three percent) of the decrease in the contract value shall be returned to the Contractor. The PG amount in excess of required PG for decreased contract value,



available with DFCCIL, shall be returned to Contractor as per his request duly safeguarding the interest of DFCCIL.

- (e) The Performance Guarantee (PG) shall be released after physical completion of the work based on 'Completion Certificate' issued by the competent authority stating that the Contractor has completed the work in all respects satisfactorily.
- (f) Whenever the contract is rescinded, the Performance Guarantee already submitted for the contract shall be encashed in addition to forfeiture of Security Deposit available with DFCCIL.
- (g) The Engineer/DFCCIL shall not make a claim under the Performance Guarantee except for amounts to which the President of India/DFCCIL is entitled under the contract (not withstanding and/or without prejudice to any other provisions in the contract agreement) in the event of:
  - (i) Failure by the Contractor to extend the validity of the Performance Guarantee as described herein above, in which event the Engineer/DFCCIL may claim the full amount of the Performance Guarantee.
  - (ii) Failure by the Contractor to pay President of India/DFCCIL 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/DFCCIL.
  - (iii) The Contract being determined or rescinded under clause 62 of the GCC.
- (h) **Deleted.**

**17. Force Majeure Clause:-** If at any time, during the continuance of this contract, the performance in whole or in part by either party of any obligation under this contract shall be prevented or delayed by reason of any war, hostility, acts of public enemy, civil commotion, sabotage, serious loss or damage by fire, explosions, epidemics/pandemics, strikes, lockouts or acts of God (hereinafter, referred to events) provided, notice of the happening of any such event is given by either party to the other within 30 days from the date of occurrence thereof, neither party shall by reason of such event, be entitled to terminate this contract nor shall either party have any claim for damages against the other in respect of such non-performance or delay in performance, and works under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist, and the decision of the Engineer as to whether the works have been so resumed or not shall be final and conclusive, PROVIDED FURTHER that if the performance in whole or in part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 120 days, either party may at its option terminate the contract by giving notice to the other party.

**17-A Extension of time in Contracts:-** Subject to any requirement in the contract as to completion of any portion or portions of the works before completion of the whole, the Contractor shall fully and finally complete the whole of the works comprised in the contract (with such modifications as may be directed under conditions of this contract) by the date entered in the contract or extended date in terms of the following clauses:

- (i) **Extension due to modification:-** If any modifications have been ordered which in the opinion of the Engineer have materially increased the magnitude of the work, then such extension of the contracted date of completion may be granted as shall appear to the Engineer to be reasonable in the circumstances, provided moreover that the Contractor shall be responsible for requesting such extension of the date as may be considered necessary as soon as the cause thereof shall arise and in any case not less than one month before the expiry of the date fixed for completion of the works.

- (ii) **Extension for Delay not due to DFCCIL or Contractor:** If in the opinion of the Engineer, the progress of work has any time been delayed by any act or neglect of DFCCIL's employees or by other contractor employed by the DFCCIL under Sub-Clause (4) of Clause 20 of these Conditions or in executing the work not forming part of the contract but on which Contractor's performance necessarily depends or by reason of proceeding taken or threatened by or dispute with adjoining or to neighbouring owners or public authority arising otherwise through the Contractor's own default etc. or by the delay authorized by the Engineer pending arbitration or in consequences of the Contractor not having received in due time necessary instructions from the DFCCIL for which he shall have specially applied in writing to the Engineer or his authorized representative then upon happening of any such event causing delay, the Contractor shall immediately give notice thereof in writing to the Engineer within 15 days of such happening, but shall nevertheless make constantly his best endeavours to bring down or make good the delay and shall do all that may be reasonably required of him to the satisfaction of the Engineer to proceed with the works. The Contractor may also indicate the period for which the work is likely to be delayed and shall be bound to ask for necessary extension of time. The Engineer on receipt of such request from the Contractor shall consider the same and shall grant such extension of time as in his opinion is reasonable having regard to the nature and period of delay and the type and quantum of work affected thereby. No other compensation shall be payable for works so carried forward to the extended period of time; the same rates, terms and conditions of contract being applicable as if such extended period of time was originally provided in the original contract itself.
- (iii) **Extension for Delay due to DFCCIL:** In the event of any failure or delay by the DFCCIL to hand over the Contractor possession of the lands necessary for the execution of the works or to give the necessary notice to commence the works or to provide the necessary drawings or instructions or any other delay caused by the DFCCIL due to any other cause whatsoever, then such failure or delay shall in no way affect or vitiate the contract or alter the character thereof or entitle the Contractor to damages or compensation therefor, but in any such case, the DFCCIL may grant such extension or extensions of the completion date as may be considered reasonable.

**17-B Extension of Time with Liquidated Damages (LD) for delay due to Contractor:** The time for the execution of the work or part of the works specified in the contract documents shall be deemed to be the essence of the contract and the works must be completed not later than the date(s) as specified in the contract. If the Contractor fails to complete the works within the time as specified in the contract for the reasons other than the reasons specified in Clause 17 and 17-A, the DFCCIL may, if satisfied that the works can be completed by the Contractor within reasonable short time thereafter, allow the Contractor for further extension of time (**Proforma at Form-14**) as the Engineer may decide. On such extension the DFCCIL will be entitled without prejudice to any other right and remedy available on that behalf, to recover from the Contractor as agreed damages and not by way of penalty for each week or part of the week, a sum calculated at the following rates of the contract value of the works.

For the purpose of this Clause, the contract value of the works shall be taken as value of work as per contract agreement including any supplementary work order/contract agreement issued. Provided also, that the total amount of liquidated damages under this condition shall not exceed 5% of the contract value or of the total value of the item or groups of items of work for which a separate distinct completion period is specified in the contract.

SN	Duration of extension of time under Clause 17-B	Rate of Liquidated Damages
(i)	Up to Twenty percent of original period of completion including period of extension of DOC granted under Section 17A(i)	As decided by Engineer, between 0.01% to 0.10% of contract value for each week or part of the week

(ii)	Above Twenty percent but upto Thirty percent of original period of completion including period of extension of DOC granted under Section 17A(i)	0.20% of contract value for each week or part of the week
(iii)	Above Thirty percent but upto Forty percent of original period of completion including period of extension of DOC granted under Section 17A(i)	0.30% of contract value for each week or part of the week
(iv)	Above Forty percent of original period of completion including period of extension of DOC granted under Section 17A(i)	0.50% of contract value for each week or part of the week

Provided further, that if the DFCCIL is not satisfied that the works can be completed by the Contractor and in the event of failure on the part of the contractor to complete the work within further extension of time allowed as aforesaid, the DFCCIL shall be entitled without prejudice to any other right or remedy available in that behalf, to appropriate the contractor's Security Deposit and rescind the contract under Clause 62 of these Conditions, whether or not actual damage is caused by such default.

#### 17-C Deleted

- 18.(1) Illegal Gratification:-** Any bribe, commission, gift or advantage given, promised or offered by or on behalf to the contractor or his partner, agent or servant or, anyone on his behalf, to any officer or employee of the DFCCIL, or to any person on his behalf in relation to obtaining or execution of this or any other contract with the DFCCIL shall, in addition to any criminal liability which he may incur, subject contractor to the *rescission of the contract* and all other contracts with the DFCCIL and to the payment of any loss or damage resulting from such decision and the DFCCIL shall be entitled to deduct the amounts so payable from the Contractor(s)/bills/security deposite or any other dues of contractor with Government of India/DFCCIL.
- 18.(2)** The contractor shall not lend or borrow from or have or enter into any monitory dealings and transactions either directly or indirectly with any employee of the DFCCIL and if he shall do so, the DFCCIL shall be entitled forthwith to **rescind the contract** and all other contracts with the DFCCIL. Any question or dispute as to the commission or any such offence or compensation payable to the DFCCIL under this clause shall be settled by the Chief General Manager/Noida of the DFCCIL, in such a manner as he shall consider fit and sufficient and his decision shall be final and conclusive. In the event of rescission of the contract under this clause, the contractor will not be paid any compensation whatsoever except payments for the work done up to the date of rescission.

#### EXECUTION OF WORKS

- 19.(1) Contractor's understanding:-** It is understood and agreed that the contractor has, by careful examination, satisfied himself as to the nature and location of the work, the conformation of the ground, the character, quality and quantity of the materials to be encountered, the character of equipment and facilities needed preliminary to and during the progress of the works, the general and local conditions, the labour conditions prevailing therein and all other matters which can in any way affect the works under the contract.
- 19.(2) Commencement of works:-** The contractor shall commence the works within 15 days after the receipt by him of an order in writing to this effect from the Engineer and shall proceed with the same with due

expedition and without delay.

**19.(3) Accepted Programme of work:-** The contractor who has been awarded the work shall as soon as possible but not later than 30 days after the date of receipt of the acceptance letter in respect of contracts with initial completion period of two years or less or not later than 90 days for other contracts have to submit the detailed programme of work indicating the time schedule of various items of works in the form of Bar Chart/CPM. He shall also submit the details of organization (*in terms of labour and supervisors*) plant and machinery, that he intends to utilize (*from time to time*) for execution of the work within stipulated date of completion. The programme of work amended as necessary by discussions with the Engineer, shall be treated as the agreed programme of the work for the purpose of this contract and the contractor shall endeavour to fulfil this programme of work. The progress of work will be watched accordingly and the ***liquidated damages will be with reference to the overall completion date***. Nothing stated herein shall preclude the contractor in achieving earlier completion of item or whole of the works than indicated in the programme.

**19.(4) Setting out of works: -** The contractor shall be responsible for the correct setting out of all works in relation to original points, lines and levels of reference at his cost. The contractor shall execute the work true to alignment, grade, levels and dimensions as shown in the drawing and as directed by the Engineer's representative and shall check these at frequent intervals. The contractor shall provide all facilities like labour and instruments and shall co-operate with the Engineer's representative to check all alignment, grades, levels and dimensions. If, at any time, during the progress of the works any error shall appear or arise in any part of the work, the contractor, on being required so to do by the Engineer's representative shall, at his own cost rectify such errors, to the satisfaction of the Engineer's representative.

Such checking shall not absolve the contractor of his own responsibility of maintaining accuracy in the work. The contractor shall carefully protect and preserve all bench marks, sight rails, pegs and other things used in setting out the work.

**20.(1) Compliance to Engineer's instructions:-**The Engineer shall direct the order in which the several parts of the works shall be executed and the contractor shall execute without delay all orders given by the Engineer from time to time but the contractor shall not be relieved thereby from responsibility for the due performance of the works in all respects.

**20.(2) Alterations to be authorized: -**No alterations in or additions to or omissions or abandonment of any part of the works shall be deemed authorized, except under instructions from the Engineer. The contractor shall be responsible to obtain such instructions in each and every case in writing from the Engineer.

**20.(3) Extra works: -** Should works over and above those included in the contract require to be executed at the site, the contractor shall have no right to be entrusted with the execution of such works which may be carried out by another contractor or contractors or by other means at the option of the DFCCIL.

**20.(4) Separate contracts in connection with works: -** The DFCCIL shall have the right to let other contracts in connection with the works. The contractor shall afford other contractors' reasonable opportunity for the storage of their materials and the execution of their works and shall properly connect and coordinate his work with theirs. If any part of the contractor's work depends for proper execution or

result upon the work of another contractor(s), the contractor shall inspect and promptly report to the Engineer any defects in such works that render it unsuitable for such proper execution and results. The contractor's failure so-to inspect and report shall constitute an acceptance of the other contractor's work as fit and proper for the reception of his work, except as to defects which may develop in the other contractor's work after the execution of his work.

- 21. Instruction of Engineer's Representative:** - Any instructions or approval given by the Engineer's/DFCCIL's representative to contractor in connection with the works shall bind the contractor as though it had been given by the Engineer provided always as follows.
- (a) Failure of the Engineer's representative to disapprove any work or materials shall not prejudice, the power of the Engineer thereafter to disapprove such work or material and to order the removal or breaking up thereof.
  - (b) If the Contractor shall be dissatisfied by reason of any decision of the Engineer's representative, he shall be entitled to refer the matter to the Engineer who shall there upon confirm or vary such decision.
- 22.(1) Adherence to specifications and drawings:** - The whole of the works shall be executed in perfect conformity with the specifications and drawings of the contract. If contractor performs any works in a manner contrary to the specifications or drawings or any of them and without such reference to the Engineer, he shall bear all the costs arising or ensuing therefore and shall be responsible for all loss to the DFCCIL.
- 22.(2) Drawings and specifications of the works:** - The contractor shall keep one copy of drawings and specifications at the site, in good order, and such contract documents as may be necessary available to the Engineer or the Engineer's representative.
- 22.(3) Ownership of drawings and specifications:** - All drawings and specifications and copies thereof furnished by the DFCCIL to the Contractor are deemed to be the property of the DFCCIL. They shall not be used on other works and with the exception of the signed contract set, shall be returned by the contractor to the DFCCIL on completion of the work or termination of the contract.
- 22.(4) Compliance with Contractor's requests for details:** - The Engineer shall furnish with reasonable promptness, after receipt by him of the contractor's request for the same, additional instructions by means of drawings or otherwise, necessary for the proper execution of the works or any part thereof. All such drawing and instructions shall be consistent with the contract Documents and reasonably inferable there from.
- 22.(5) Meaning and intent of specification and drawings:-** If any ambiguity arises as to the meaning and intent of any portion of the specifications and drawings or as to execution or quality of any work or material, or as to the measurements of the works the decision of the Engineer thereon shall be final subject to the appeal (*within 7 days of such decision being intimated to the contractor*) to the CGM who shall have the power to correct any errors, omissions, or discrepancies in aforementioned items and whose decision in the matter in dispute or doubt shall be final and conclusive.
- 23 Working during night:** - The contractor shall not carry out any work between sun-set and sun-rise without the previous permission of the Engineer. However, if the Engineer is satisfied that the work is

not likely to be completed in time except by resorting to night work, he may order the same without confirming any right on the Contractor for claiming any extra payment for the same.

- 24. Damage to DFCCIL property or private life and property:-**The contractor shall be responsible for all risk to the work and for trespass and shall make good at his own expense all loss or damage whether to the works themselves or to any other property of the DFCCIL or the lives, persons or property of others from whatsoever cause in connection with the works until they are taken over by the DFCCIL and this although all reasonable and proper precautions may have been taken by the contractor. In case the DFCCIL shall be called upon to make good any costs, loss or damages, or to pay an compensation, including that payable under the provisions of the Workmen's Compensation Act or any statutory amendments thereof to any person or persons sustaining damages as aforesaid by reason of any act, or any negligence or omissions on the part of the contractor the amount of any costs or charges including costs and charges in connection with legal proceedings, which the Railway / DFCCIL may incur in reference thereto, shall be charged to the contractor. The DFCCIL shall have the power and right to pay or to defend or compromise any claim of threatened legal proceedings or in anticipation of legal proceedings being instituted consequent on the action or default of the contractor, to take such steps as may be considered necessary or desirable to ward off or mitigate the effect of such proceedings, charging to contractor, as aforesaid any sum or sums of money which may be paid and any expenses whether for reinstatement or otherwise which may be incurred and the propriety of any such payment, defence or compromise, and the incurring of any such expenses shall not be called in question by the contractor.
- 25. Sheds, Stores houses and Yards:-**The contractor shall at his own expense provide himself with sheds, stores houses and yards in such situations and in such numbers as in the opinion of the Engineer is requisite for carrying on the works and the contractor shall keep at each such sheds, stores houses and yard a sufficient quantity of materials and plant in stock as not to delay the carrying out of the works with due expedition and the Engineer and the Engineer's representative shall have free access to the said sheds, store houses and yards at any time for the purpose of inspecting the stock of materials or plant so kept in hand, and any materials or plan which the Engineer may object to shall not be brought upon or used in the works, but shall be forthwith removed from the sheds, store houses or yards by the contractor. The contractor shall at his own expenses provide and maintain suitable mortar mills, soaking vats or any other equipments necessary for the execution of the works.
- 26. Provision of efficient and competent Staff at work sites by the Contractor: -**
- 26.1** The contractor shall place and keep on the works at all times efficient and competent staff to give the necessary directions to his workmen and to see that they execute their work in sound and proper manner and shall employ only such supervisors, workmen and labourers in or about the execution of any of these works as are careful and skilled in the various trades.
- 26.2** The contractor shall at once remove from the works any agents, permitted sub-contractor, supervisor, workman or labourer who shall be objected to by the Engineer and if and whenever required by the Engineer, he shall submit a correct return showing the names of all staff and workmen employed by him.
- 26.3** In the event of the Engineer being of the opinion that the contractor is not employing on the works a sufficient number of staff and workmen as is necessary for the proper completion of the works within

the time prescribed, the contractor shall forthwith on receiving intimation to this effect deploy the additional number of staff and labour specified by the Engineer within seven days of being so required and failure on the part of the contractor to comply with such instructions will entitle the DFCCIL to *rescind the contract* under clause 62 of these conditions.

**26A. Deployment of Qualified Engineers at Work Sites by the Contractor: -**

**26A.1** The contractor shall also employ Qualified Graduate Engineer(s) or equivalent, or Qualified Diploma Engineer(s), as per Clause 2.3 of Special Conditions, Section-2 of Part-I Chapter-V OF TENDER DOCUMENT.

**26A.2** In case qualified Engineer as per clause 26.A.1 is/are absent from site for more than a week period in a month when work is in progress of relevant discipline, then deduction on account of non providing qualified Engg. will be done on pro-rata basis for whole absentee period.

**26A.3** Deleted

**27.(1) Workmanship and testing:-** The whole of the works and / or supply of materials specified and provided in the contract or that may be necessary to be done in order to form and complete any part thereof shall be executed in the best and most substantial workman like manner with materials of the best and most approved quality of their respective kinds, agreeable to the particulars contained in or implied by the specifications and as referred to in and represented by the drawings or in such other additional particulars, instructions and drawings given during the carrying on of the works and to the entire satisfaction of the Engineer according to the instructions and directions which the contractors may from time to time receive from the Engineer. The materials may be subjected to tests by means of such machines, instruments and appliances as the Engineer may direct and wholly at the expense of the contractor.

**27.(2) Removal of improper work and materials: -** The Engineer or the Engineer's Representative shall be entitled to order from time to time:

- (a) The removal from the site within the time specified in the order of any materials which in his opinion are not in accordance with the specifications or drawings.
- (b) The substitution of proper and suitable materials, and
- (c) the removal and proper re-execution, notwithstanding any previous tests thereof or on account payments therefore, of any work which in respect of materials or workmanship; is not in his opinion in accordance with the specifications and in case of default on the part of the contractor in carrying out such order the DFCCIL shall be entitled to **rescind the contract** under clause 62 of these conditions.
- (d) The provision of Construction and Demolition Waste Management Rule 2016 issued by Ministry of Environment Forest and Climate Change dated 29.03.2016 and published in the Gazette of India, Part – II, Section -3, Sub-section (ii) are binding upon the Contractor. Contractor shall implement these provisions at worksites, for which no extra payment will be payable.

**28. Facilities for inspection:-** The contractor shall afford the Engineer and the Engineer's Representative every facility for entering in and upon every portion of the work at all hours for the purpose of

inspection or otherwise and shall provide all labour, materials, planks, ladders, pumps, appliances and things of every kind required for the purpose and the Engineer and the Engineer's Representative shall at all times have free access to every part of the works and to all places at which materials for the works are stored or being prepared.

- 29. Examination of work before covering up:-** The contractor shall give 7 days' notice to the Engineer or the Engineer's representative whenever any work or materials are intended to be covered up in the earth, in bodies or walls or otherwise to be placed beyond the reach of measurements in order that the work may be inspected or that correct dimensions may be taken before being so covered, placed beyond the reach of measurement in default whereof, the same shall at the option of the Engineer or the Engineer's representative be uncovered and measured at the contractor's expense or no allowance shall be made for such work or materials.
- 30. Temporary Works:** - All temporary works necessary for the proper execution of the works shall be provided and maintained by the contractor and subject to the consent of the Engineer shall be removed by him at his expenses when they are no longer required and in such manner as the Engineer shall direct. In the event of failure on the part of the contractor to remove the temporary works, the Engineer will cause them to be removed and cost as increased by supervision and other incidental charges *shall be recovered from the contractor*. If temporary huts are provided by the contractor on the Railway land for labour engaged by him for the execution of works, the contractor shall arrange for handing over vacant possession of the said land after the work is completed; if the contractor's labour refuse to vacate, and have to be evicted by the Railway necessary expenses incurred by the Railway in connection therewith shall be borne by the contractor.
- 31.(1) Contractor to supply water for works:** - Unless otherwise provided in the contract, the contractor shall be responsible for the arrangements to obtain supply of water necessary for the works.
- 31.(2) Deleted**
- 31.(3) Deleted**
- 31.(4)(a) Contractor to arrange supply of Electric power for works:** - Unless otherwise provided in the contract, the contractor shall be responsible for arrangements to obtain supply of electric power for the works.
- 31.(4)(b) Deleted**
- 32. Property in materials and plant:** - The materials and plant brought by the Contractor upon the site or on the land occupied by the Contractor in connection with the works and intended to be used for the execution thereof shall immediately, they are brought upon the site of the said land, be deemed to be the property of the DFCCIL. Such of them as during the progress of the works are rejected by the Engineer under Clause 25 of these conditions or are declared by him not to be needed for the execution of the works or such as on the grant of the certificate of completion remain unused shall immediately on such rejection, declaration or grant cease to be deemed the property of the DFCCIL and the Contractor may then (*but not before*) remove them from the site or the said land. This clause shall not in any way diminish the liability of the Contractor nor shall the DFCCIL be in any way answerable for any loss or



damage which may happen to or in respect of any such materials or plant either by the same being lost, stolen, injured or destroyed by fire, tempest or otherwise.

**33. (1) Deleted**

**33.(2) Deleted**

**34.(1) Precaution during progress of works:-** During the execution of works, unless otherwise specified, the Contractor shall at his own cost provide the materials for and execute all shoring, timbering and strutting works as is necessary for the stability and safety of all structures, excavations and works and shall ensure that no damage, injury or loss is caused or likely to be caused to any person or property.

**34.(2) Roads and Water courses: -** Existing roads or water courses shall not be blocked, cut through, altered, diverted or obstructed in any way by the Contractor, except with the permission of the Engineer. All compensations claimed for any unauthorized closure, cutting through, alterations, diversion or obstruction to such roads or water courses by the Contractor or his agent or his staff shall be recoverable from the Contractor's bill/security deposit or any other dues of contractor with the Government of India or DFCCIL.

**34.(3) Provision of access to premises:-** During progress of work in any street or thoroughfare, the Contractor shall make adequate provision for the passage of traffic, for securing safe access to all premises approached from such street or thoroughfare and for any drainage, water supply or means of lighting which may be interrupted by reasons of the execution of the works and shall erect and maintain at his own cost barriers, lights and other safeguards as prescribed by the Engineer, for the regulation of the traffic, and provide watchmen necessary to prevent accidents. The works shall in such cases be executed night and day if, so ordered by the Engineer and with such vigour so that the traffic way be impeded for as short a time as possible.

**34.(4) Safety of Public: -** The Contractor shall be responsible to take all precautions to ensure the safety of the public whether on public or DFCCIL property and shall post such look out men as may in the opinion of the Engineer, be required to comply with regulations appertaining to the work. Contractor shall ensure placement of barricading/partitions at the place of work to ensure safety of habitants of adjacent area, failing which Engineer may advise stoppage of work as per his discretion.

**34.(5) Display Board: -** The contractor shall be responsible for displaying the details of works i.e. name of work, approximate cost, expected date of completion, name and address of the Contractor and address of Engineer on a proper steel Board of size not less than 1m x 1m.

**35. Use of Explosives:** Explosives shall not be used on the works or on the site by the Contractor without the permission of the Engineer and then also only in the manner and to the extent to which such permission is given. Where explosives are required for the works, they shall be stored in a special magazine to be provided by and at the cost of the Contractor in accordance with the Explosive Rules. The Contractor shall obtain the necessary license for the storage and the use of explosives. All operations in which or for which explosives are employed shall be at the sole risk and responsibility of the Contractor and the Contractor shall indemnify the DFCCIL in respect thereof.

**36.(1) Suspension of works:-** The Contractor shall on the order of the Engineer, suspend the progress of the works or any part thereof for such time or times and in such manner as the Engineer may consider

necessary and shall during such suspension properly protect and secure the work so far as is necessary in the opinion of the Engineer. If such suspension is: -

- (a) Provided for in the contract, or
- (b) Necessary for the proper execution of the works or by the reason of weather conditions or by some default on the part of the Contractor, and/or
- (c) Necessary for the safety of the works or any part thereof.

**36.(2)** The Contractor shall not be entitled to the extra costs, if any, incurred by him during the period of suspension of the works, but in the event of any suspension ordered by the Engineer for reasons other than aforementioned and when each such period of suspensions exceeds 14 days, the contractor shall be entitled to such extension of time for completion of the work as the Engineers may consider proper having regard to the period or periods of such suspensions and to such compensations as the Engineer may consider reasonable in respect of salaries or wages paid by the Contractor to his employees during the periods of such suspension.

**36.(3) Suspension lasting more than 3 months:-** If the progress of the works or any part thereof is suspended on the order of the Engineer for more than three months at a time, the Contractor may serve a written notice on the Engineer requiring permission within 15 days from the receipt thereof to proceed with the works or that part thereof in regard to which progress is suspended and if such permission is not granted within that time the Contractor by further written notice so served may, but is not bound to, elect to treat the suspension where it affects part only of the works as an omission of such part or where it affects the whole of the works, as an abandonment of the contract by the DFCCIL.

**37. Rates for items of works:-** The rates, entered in the accepted Schedule of Rates of the Contract are intended to provide for works duly and properly completed in accordance with the general and special (if any) conditions of the contract and the specifications and drawings together with such enlargements, extensions, diminutions, reductions, alterations or additions as may be ordered in terms of Clause 42 of these conditions and without prejudice to the generality thereof and shall be deemed to include and cover superintendence and labour, supply, including full freight of materials, stores, patterns, profiles, moulds, fittings, centring, scaffolding, shoring props, timber, machinery, barracks, tackle, roads, pegs, posts, tools and all apparatus and plant required on the works, except such tools, plant or materials as may be specified in the contract to be supplied to the Contractor by the DFCCIL, the erection, maintenance and removal of all temporary works and, buildings, all watching, lighting, bailing, pumping and draining, all prevention of or compensation for trespass, all barriers and arrangements for the safety of the public or of employees during the execution of works, all sanitary and medical arrangements for labour camps as may be prescribed by the DFCCIL, the setting of all work and of the construction, repair and upkeep of all centre lines, bench marks and level pegs thereon, site clearance, all fees duties, royalties, rent and compensation to owners for surface damage or taxes and impositions payable to local authorities in respect of land, structures and all material supplied for the work or other duties of expenses for which the Contractor may become liable or may be put to under any provision of law for the purpose of or in connection with the execution of the contract, and all such other incidental charges or contingencies as may have been specially provided for in the specifications.

However, if rates of existing GST or cess on GST for Works Contract is increased or any new tax /cess on Works Contract is imposed by Statute after the date of opening of tender but within the original date

of completion/date of completion extended under clause 17 & 17A and the Contractor thereupon properly pays such taxes/cess, the Contractor shall be reimbursed the amount so paid.

Further, if rates of existing GST or cess on GST for Works Contract is decreased or any tax/cess on Works Contract is decreased / removed by Statute after the date of opening of tender, the reduction in tax amount shall be recovered from Contractor's bills/Security Deposit or any other dues of Contractor with the Government of India or DFCCIL.

**38. Deleted**

**39.(1) Rates for extra items of works:-** Any item of work carried out by the Contractor on the instructions of the Engineer which is not included in the accepted schedules of rates shall be executed at the rates set forth in the "Delhi Schedule of Rates of CPWD" modified by the tender percentage and such items are not contained in the latter, at the rate agreed upon between the Engineer and the Contractor before the execution of such items of work and the Contractors shall be bound to notify the Engineer at least seven days before the necessity arises for the execution of such items of works that the accepted schedule of rates does not include rate or rates for the extra work involved. The rates payable for such items shall be decided at the meeting to be held between the Engineer and Contractor, in as short a period as possible after the need for the special item has come to the notice. In case the Contractor fails to attend the meeting after being notified to do so or in the event of no settlement being arrived at, the DFCCIL shall be entitled to execute the extra works by other means and the Contractor shall have no claim for loss or damage that may result from such procedure.

The assessment of rates for extra items shall be arrived at based on the prevailing rates and by taking guidance from the following documents in order of priority:

- (i) Analysis of Delhi Schedule of Rates issued by CPWD
- (ii) Analysis of Unified Schedule of Rates of Indian Railways
- (iii) Market Analysis

**39.(2)** Provided that if the Contractor commences work or incurs any expenditure in regard thereto before the rates as determined and agreed upon as lastly hereunto fore-mentioned, then and in such a case the Contractor shall only be entitled to be paid in respect of the work carried out or expenditure incurred by him prior to the date of determination of rates as aforesaid according to the rates as shall be fixed by the Engineer. However, if the Contractor is not satisfied with the decision of the Engineer in this respect, he may appeal to the CGM within 30 days of getting the decision of the Engineer, supported by analysis of the rates claimed. The CGM's decision after hearing both the parties in the matter would be final and binding on the Contractor and the DFCCIL.

**40. (1) Handing over of works: -** The Contractor shall be bound to hand over the works executed under the contract to the DFCCIL complete in all respects to the satisfaction of the Engineer. The Engineer shall determine the date on which the work is considered to have been completed, in support of which his certificate shall be regarded as sufficient evidence for all purposes. The Engineer shall determine from time to time, the date on which any particular section of the work shall have been completed, and the contractor shall be bound to observe any such determination of the Engineer.

**40.(2) Clearance of site on completion:** - On completion of works, the Contractor shall clear away and remove from the site all constructional plant, surplus materials, rubbish and temporary works of every kind and leave the whole of the site and works clean and in a workman like condition to the satisfaction of the Engineer. No final payment in settlement of the accounts for the works shall be paid, held to be due or shall be made to the, Contractor till, in addition to any other condition necessary for final payment, site clearance shall have been affected by him, and such clearance may be made by the Engineer at the expense of the Contractor in the event of his failure to comply with this provision within 7 days after receiving notice to that effect. Should it become necessary for the Engineer/DFCCIL to have the site cleared at the expenses of the Contractor, the DFCCIL shall not be held liable for any loss or damage to such of the Contractor's property as may be on the site and due to such removal there from which removal may be effected by means of public sales of such materials and property or in such a way as deemed fit and convenient to the Engineer.

**Clause 40A:** At the final stage of completion and commissioning of work, in case the contractor's failure is limited to only some of the works costing not more than 2% of the original contract value, and the Contractor request the Engineer that such works may be offloaded from him and got executed through another agency and additional cost incurred, if any, should be recovered from his dues; the Engineer on being convinced that the anticipated additional cost for such works will not be substantial and can be recovered from the dues of the contractor and that such offloading will help in completion and commissioning of work, may agree to such offloading without any adverse repercussion on the performance guarantee and security deposit of the Contractor. However, the Engineer will not be under any compulsion to agree to such a request. Further, before issuing letter of acceptance to another agency for such work, the Contractor shall be informed of the rates at which the work will be got executed and the Contractor should give his consent to do so and certify that he would have no future claim on this account and that the extra expenditure so incurred, if any, by the Engineer in getting the offloaded work done, shall be recovered from subsequent Bills or any other dues of the Contractor. In case the Contractor fails to give such consent within three working days, the Engineer may treat the same as not acceptable to Contractor and proceed accordingly. In any case, DFCCIL shall deduct 10% of cost of such work or Rs one lakh whichever is lower, from the Contractor's dues as administrative charges for the process of finalizing new agency for such work irrespective of whether or not such work is finally offloaded from Contractor or not.

#### **VARIATIONS IN EXTENT OF CONTRACT**

- 41. Modification to contract to be in writing:** - In the event of any of the provisions of the contract required to be modified after the contract documents have been signed, the modifications shall be made in writing and signed by the DFCCIL and the Contractor and no work shall proceed under such modifications until this has been done. Any verbal or written arrangement abandoning, modifying, extending, reducing or supplementing the contract or any of the terms thereof shall be deemed conditional and shall not be binding on the DFCCIL unless and until the same is incorporated in a formal instrument and signed by the DFCCIL and the Contractor, and till then the DFCCIL shall have the right to repudiate such arrangements.
- 42.(1) Powers of modification to contract:-** The Engineer on behalf of the DFCCIL shall be entitled by order in writing to enlarge or extend, diminish or reduce the works or make any alterations in their design, character position, site, quantities, dimensions or in the method of their execution or in the combination and use of materials for the execution thereof or to order any additional work to be done or

any works not to be done and the contractor will not be entitled, to any compensation for any increase/reduction in the quantities of work but will be paid only for the actual amount of work done and for approved materials supplied against a specific order.

- 42.(2)** (i) Unless otherwise specified in the contract, the accepted variation in quantity of each individual item of the contract would be up to 25% of the quantity originally contracted, except in case of foundation work.
- (ii) The contractor shall be bound to carry out the work at the agreed rates and shall not be entitled to any claim or any compensation whatsoever up to the limit of 25% variation in quantity of individual item of works.
- (iii) In case an increase in quantity of an individual item by more than 25% of the agreement quantity is considered unavoidable, then same shall be executed at following rates:
- (a) Quantities operated in excess of 125% but upto 140% of the agreement quantity of the concerned item, shall be paid at 98% of the rate awarded for that item in that particular tender;
  - (b) Quantities operated in excess of 140% but upto 150% of the agreement quantity of the concerned item shall be paid 96% of the rate awarded for that item in that particular tender;
  - (c) Variation in quantity of individual items beyond 150% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
  - (d) Variation to quantities for Minor value item:  
The limit for varying quantities for minor value items shall be 100% (as against 25% prescribed for other items). A minor value item for this purpose is defined as an item whose original agreement value is less than 1% of the total original agreement value.
    - (i) Quantities operated upto and including 100% of the agreement quantity of the concerned minor value item, shall be paid at the rate awarded for that item in that particular tender;
    - (ii) Quantities operated in excess of 100% but upto 200% of the agreement quantity of the concerned minor value item, shall be paid at 98% of the rate awarded for that item in that particular tender;
    - (iii) Variation in quantities of individual minor value item beyond 200% will be avoided and would be permitted only in exceptional unavoidable circumstances and shall be paid at 96% of the rate awarded for that item in that particular tender.
- (iv) In case of earthwork, the variation limit of 25% shall apply to the gross quantity of earth work and variation in the quantities of individual classifications of soil shall not be subject to this limit.
- (v) In case of foundation work, no variation limit shall apply and the work shall be carried out by the contractor on agreed rates irrespective of any variation.

- (vi) As far as SOR items are concerned, the limit of 25% would apply to the value of SOR schedule as a whole and not on individual SOR items. However, in case of NS items, the limit of 25% would apply on the individual items irrespective of the manner of quoting the rate (single percentage rate or individual item rate).

**42.(3) Valuation of variations:-** The enlargements, extensions, diminution, reduction, alterations or additions referred to in sub-clause (2) of this clause shall in no degree affect the validity of the contract but shall be performed by the Contractor as provided therein and be subject to the same conditions, stipulations and obligations as if they had been originally and expressively included and provided for in the specifications and drawings and the amounts to be paid therefore shall be calculated in accordance with the accepted schedule of rates. Any extra items / quantities of work falling outside the purview of the provisions of sub-clause (2) above shall be paid for at the rates determined under clause-39 of these conditions.

### CLAIMS

**43.(1) Quarterly Statement of Claims:** The Contractor shall prepare and furnish to the Engineer/DFCCIL once in every quarter commencing from the month following the month of issue of Letter of Acceptance, an account giving full and detailed particulars of all claims for any additional expenses to which the Contractor may consider himself entitled to and of all extra or additional works ordered by the Engineer which he has executed during the preceding ~~month~~ quarter and no claim for payment for such work will be considered which has not been included in such particulars.

**43.(2) Signing of “No Claim” Certificate:-** The Contractor shall not be entitled to make any claim whatsoever against the DFCCIL under or by virtue of or arising out of this contract, nor shall the DFCCIL entertain or consider any such claim, if made by the Contractor, after he shall have signed a “No Claim” Certificate in favour of the DFCCIL in such form as shall be required by the DFCCIL after the works are finally measured up. The contractor shall be debarred from disputing the correctness of the items covered by “No Claim” Certificate or demanding a clearance to arbitration in respect thereof.

### MEASUREMENTS, CERTIFICATES AND PAYMENTS

**44. Quantities in schedule annexed to Contract: -** The quantities set out in the accepted schedule of rates with items of works quantified are the estimated quantities of the works and they shall not be taken as the actual and correct quantities of the work to be executed by the Contractor in fulfilment of his obligations under the contract.

**45.(i) Measurement of works:-** The Contractor shall be paid for the works at the rates in the accepted schedule of rates and for extra works at rates determined under Clause 39 of these conditions on the measurements taken by the Engineer or the Engineer’s representative in accordance with the rules prescribed for the purpose by the DFCCIL. The quantities for items the unit of which in the accepted schedule of rates is 100 or 1000 shall be calculated to the nearest whole number, any; fraction below half being dropped and half and above being taken as one; for items the unit of which in the accepted schedule of rates is single, the quantities shall be calculated to two places of decimals. Such measurements will be taken of the work in progress from time to time and at such intervals as in the opinion of the Engineer shall be proper having regard to the progress of works. The date and time on which “on account” or final measurements are to be made shall be communicated to the Contractor who shall be present at the site and shall sign

the results of the measurements (which shall also be signed by the Engineer or the Engineer's representative) recorded in the official measurements book as an acknowledgement of his acceptance of the accuracy of the measures. Failing the Contractor's attendance, the work may be measured up in his absence and such measurements shall, notwithstanding such absence, be binding upon the Contractor whether or not he shall have signed the measurement books provided always that any objection made by him to measurement shall be duly investigated and considered in the manner set out below: -

- (a) It shall be open to the Contractor to take specific objection to any recorded measurements or Classification on any ground within seven days of the date of such measurements. Any re-measurement taken by the Engineer or the Engineer's representative in the presence of the Contractor or in his absence after due notice has been given to him in consequence of objection made by the Contractor shall be final and binding on the Contractor and no claim whatsoever shall thereafter be entertained regarding the accuracy and classification of the measurements.
- (b) If an objection raised by the Contractor is found by the Engineer to be incorrect the Contractor shall be liable to pay the actual expenses incurred in measurements.

**45. (ii) Measurement of works by Contractor's Authorized Representative (In case the Contract provides for the same)**

- (a) The Contractor shall be paid for the works at the rates in the accepted Schedule of Rates and for extra works at rates determined under Clause 39 of these Conditions on the measurements taken by the contractor's authorized engineer in accordance with the rules prescribed for the purpose by DFCCIL. The quantities for items the unit of which in the accepted Schedule of Rates is 100 or 1000 shall be calculated to the nearest whole number, any fraction below half being dropped and half above being taken as one; for items the unit of which in the accepted Schedule of Rates is single, the quantity shall be calculated to two places of decimals. Such measurements will be taken of the works in progress from time to time. The date and time on which 'on account or final' measurements are to be made shall be communicated to the Engineer.

Date and time of test checks shall be communicated to the Contractor, who shall be present at the site and shall witness the test checks, failing Contractor's adherence, the test check may be conducted in his absence and such test checks shall not, withstanding such absence be binding upon Contractor provided always that any objections made by Contractor to test check shall be duly investigated and considered in the manner set out below:

- (i) It shall be open to Contractor to take specific objections to test check of any recorded measurements within 7 days of date of such test checks. Any re-test check done by the concerned DFCCIL's Authority in the presence of the Contractor or in his absence after due notice, given to him in consequent of objections made by the Contractor shall be final and binding on the Contractor and no claim whatsoever shall thereafter be entertained regarding the accuracy and classification of the measurements.
- (ii) If an objection raised by the Contractor is found by the Engineer to be incorrect, the Contractor shall be liable to pay the actual expenses incurred in measurements.

- (b) **Incorrect measurement/action to be taken:** If in case during test check or otherwise, it is detected by the Engineer that Agency has claimed any exaggerated measurement or as claimed any false measurement for the work which have not been executed; amounting to variation of 5% or more of claimed gross bill amount, action shall be taken as following:
- (i) On first occasion of noticing, exaggerated/false measurement, Engineer shall impose a penalty of 10% of claimed gross bill value.
  - (ii) On any next occasion of noticing any exaggerated/false measurement, DFCCIL shall impose penalty of 15% of claimed gross bill value. In addition, the facility of recording of measurement by Contractor as well as release of provisional payment shall be withdrawn. Once withdrawn, measurement shall be done by DFCCIL as per Clause-45(i) above.

**46. (1) ‘On-Account’ Payments:** - The Contractor shall be entitled to be paid from time to time by way of “One-Account” payment only for such works as in the opinion of the Engineer he has executed in terms of the contract. All payments due on the Engineer’s representative’s certificates of measurements or Engineer’s Certified “Contractor’s Authorized Engineer’s measurements” shall be subject to any deductions which may be made under these presents and shall further be subject to, unless otherwise required by Clause 16 of these conditions, a retention of six percent by way of security deposits, until the amount of security deposit by way of retained earnest money and such retentions shall amount to 5% of the total value of the contract provided always that the Engineer may by any certificate make any correction or modification in any previous certificate which shall have been issued by him and that the Engineer may withhold any certificate if the works or any part thereof are not being carried out to his satisfaction.

**46.(2) Rounding off amounts:** - The total amount due on each certificate shall be rounded off to the nearest rupee i.e. sum less than 50 paise shall be omitted and sums of 50 paise and more upto Re. 1/- will be reckoned as Re. 1/-.

**46.(3) On Account Payments not prejudicial to final settlement:-** “On- Account” payments made to the Contractor shall be without prejudice to the final making up of the accounts (except where measurements are specifically noted in the Measurement Book as “Final Measurements” and as such have been signed by the Contractor Engineer’s/Engineer’s Representative) and shall in no respect be considered or used as evidence of any facts stated in or to be inferred from such accounts nor of any particular quantity of work having been executed nor of the manner of its execution being satisfactory.

**46.(4) Manner of payment:** - Unless otherwise specified payments to the Contractor will be transferred electronically to his bank account.

**46A PRICE VARIATION CLAUSE:(Not applicable)**

**46A.1 Deleted**

**46A.2 Deleted**

**46A.3 Deleted**

**46A.4 Deleted**



46A.5 Deleted

46A.6 Deleted

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46A.9 Deleted

46A.10 Deleted

**47.0 Maintenance of works :-** The Contractor shall at all times during the progress and continuance of the works and also for the period of maintenance specified in the Tender Form after the date of issue of the certificate of completion by the Engineer or any other earlier date subsequent to the completion of the works that may be fixed by the Engineer be responsible for and effectively maintain and uphold in good substantial, sound and perfect condition all and every part of the works and shall make good from time to time and at all times as often as the Engineer shall require, any damage or defect that may during the above period arise in or be discovered or be in any way connected with the works, provided that such damage or defect is not directly caused by errors in the contract documents, act of providence or insurrection or civil riot, and the contractor shall be liable for and shall pay and make good to the DFCCIL or other persons legally entitled thereto whenever required by the Engineer so to do, all losses, damages, costs and expenses they or any of them may incur or be put or be liable to by reasons or in consequence of the operations of the Contractor or of his failure in any respect.

**48.(1) Certificate of completion of works:-** As soon as in the opinion of the Engineer, the works has been completed and has satisfactorily passed any final test or tests that may be prescribed, the Engineer shall issue a certificate of completion duly indicating the date of completion in respect of the work and the period of maintenance of the work shall commence from the date of completion mentioned in such certificate. The certificate, inter alia, should mention that the work has been completed in all respects and that all the contractual obligations have been fulfilled by the Contractor and that there is no due from the Contractor to DFCCIL against the contract concerned.

The Engineer may also issue such a certificate indicating date of completion with respect to any part of the work (*before the completion of the whole of work*), which has been both completed to the satisfaction of the Engineer and occupied or used by the DFCCIL. When any such certificate is given in respect of part of a work, such part shall be considered as completed and the period of maintenance of such part shall commence from the date of completion mentioned in the completion certificate issued for that part of the work.

**48.(2) Contractor not absolved by completion Certificate:-** The Certificate of completion in respect of the works referred to in sub-clause (1) of this clause shall not absolve the Contractor from his liability to make good any defects imperfections, shrinkages or faults which may appear during the period of maintenance specified in the tender arising in the opinion of the Engineer from materials or workmanship not in accordance with the drawings or specifications or instruction of the Engineer, which defects, imperfections, shrinkages or faults shall upon the direction in writing of the Engineer be amended and made good by the Contractor at his own cost: and in case of default on the part of Contractor the Engineer

may employ labour and materials or appoint another Contractor to amend and make good such defects, imperfections, shrinkages and faults and all expenses consequent thereon and incidental thereto shall be borne by the Contractor and shall be recoverable from any moneys due to him under the contract.

**48.(3) Final Supplementary Agreement:** After the work is completed or otherwise concluded by the parties with mutual consent, and taken over by the DFCCIL as per terms and conditions of the contract agreement, and there is unequivocal no claim on either side under the Contract other than as mentioned in item 4 of Form no. 20, the parties shall execute the Final Supplementary Agreement as per **Form No. 20**.

**49. Approval only by maintenance Certificate:** - No certificate other than maintenance certificate referred to in Clause 50 of the conditions shall be deemed to constitute approval of any work or other matter in respect of which it is issued or shall be taken as an admission of the due performance of the contract or any part thereof.

**50.(1) Maintenance Certificate:** - The Contract shall not be considered as completed until a Maintenance Certificate if applicable shall have been signed by the Engineer stating that the works have been completed and maintained to his satisfaction. The Maintenance Certificate shall be given by the Engineer upon the expiration of the Period of maintenance or as soon thereafter as any works ordered during such period pursuant to sub clause (2) Clause 48 of these conditions shall have been completed to the satisfaction of the Engineer and full effect shall be given to this Clause notwithstanding the taking possession of or using the works or any part thereof by the DFCCIL.

The Competent Authority to issue above Maintenance Certificate shall normally be the authority who is competent to sign the contract. If this Competent Authority is of the rank lower than Dy.CPM Grade, then a Dy.CPM Grade Officer (concerned with the work) should issue the Certificate. The Certificate, inter alia, should mention that the work has been completed in all respects and that all the contractual obligations have been fulfilled by the Contractor and that there is no due from the Contractor to DFCCIL against the contract concerned.

**50.(2) Cessation of DFCCIL Liability:** - The DFCCIL shall not be liable to the Contractor for any matter arising out of or in connection with the contract of the execution of the works unless the contractor has made a claim in writing in respect thereof before the issue of the Maintenance Certificate under this clause.

**50.(3) Unfulfilled Obligations:-** Notwithstanding the issue of the Maintenance certificate the Contractor and (*subject to sub-clause 2 of this clause*) the DFCCIL shall remain liable for the fulfilment of any obligation incurred under the provision of the contract prior to the issue of the Maintenance Certificate which remains unperformed at the time such certificate is issued and for the purposes of determining the nature and extent of any such obligations the contract shall be deemed to remain in force between the parties thereto.

**51.(1) Final Payment:-** On the Engineer's certificate of completion in respect of the works, adjustment shall be made and the balance of account based on the Engineer or the Engineer's representative's certified measurements or Engineer's certified "Contractor's Authorized Engineer's measurements" of the total quantity of work executed by the contractor upto the date of completion and on the accepted schedule or rates and for extra works on rates determined under Clause 39 of these conditions shall be paid to the Contractor subject always to any deduction which may be made under these presents and further subject

to the Contactor having signed delivered to the Engineer either a full account in detail of all claims he may have on the DFCCIL in respect of the works or having delivered "No Claim Certificate" and the Engineer having after the receipt of such account given a certificate in writing that such claims are not covered under excepted matter i.e. Clauses 7 (j), 8, 18, 22(5), 39, 43(2), 45(i)(a), 55, 55-A(5), 57, 57A, 61(1), 61(2) and 62(1)(i) to (xv) (B) of Standard General Conditions of Contract or in any Clause (stated as excepted matter) of the Special Conditions of the Contract, that the whole of the works to be done under the provisions of the Contracts have been completed, that they have been inspected by him since their completion and found to be in good and substantial order, that all properties, works and things, removed, disturbed or injured in consequence of the works have been properly replaced and made good and all expenses and demands incurred by or made upon the DFCCIL for or in the respect of damage or loss by from or in consequence of the works, have been satisfied agreeably and in conformity with the contract.

**51.(2) Post Payment Audit:-** It is an agreed term of contract that the DFCCIL reserves to itself the right to carry out a post-payment audit and or technical examination of the works and the final bill including all supporting vouchers, abstracts etc. and to make a claim on the contractor for the refund any excess amount paid to him till the release of Security Deposite of settlement of claims, which ever is later, if as a result of such examination any over-payment to him is discovered to have made in respect of any works done or alleged to have been done by him under the contract.

**51-A. Production of vouchers etc. by the Contractor: -**

- (i) For a contract of more than one crore of rupees, the contractor shall, whenever required, produce or cause to be produced for examination by the Engineer any quotation, invoice, cost or other account, book of accounts, voucher, receipt, letter, memorandum, paper of writing or any copy of or extract from any such document and also furnish information and returns verified in such manner as may be required in any way relating to the execution of this contract or relevant for verifying or ascertaining cost of execution of this contract (the decision of the engineer on the question of relevancy of any documents, information or return being final and binding in the parties).The contractor shall similarly produce vouchers; etc., if required to prove to the Engineer, that materials supplied by him, are in accordance with the specifications laid down in the contract.
- (ii) If any portion of the work in a contract of value more than one crore of rupees be carried out by a sub-contractor or any subsidiary or allied firm or company (as per Clause 7 of the General Conditions of Contract), the Engineer shall have power to secure the books of such sub-contract or any subsidiary or allied firm or company, through the contractor, and such books shall be open to his inspection.
- (iii) The obligations imposed by sub clause (i) & (ii) above is without prejudice to the obligations of the contractor under any statute rules or orders binding on the contractor.

**52.0 Withholding and lien in respect of sums claimed:-** Whenever any claim or claims for payment of a sum of money arises out of or under the contract against the contractor, the DFCCIL 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 DFCCIL shall be entitled to withhold the said cash security deposit or the security if any, furnished as the case may be and also have a lien over the same pending finalization or adjudication of any such claim. In the event of the security being insufficient to cover the claimed amount or amounts or if no security has been taken from the contractor,

the DFCCIL shall be entitled to withhold and have a lien to the extent of the such claimed amount or amounts referred to supra, from any sum or sums found payable or which at any time thereafter may become payable to the contractor under the same contract or any other contract with this or any other DFCCIL or any Department of the Central Government pending finalization or adjudication of any such claim.

It is an agreed term of the contract that the sum of money or moneys so withheld or retained under the lien referred to above, by the DFCCIL will be kept withheld or retained as such by the DFCCIL till the claim arising out of or under the contract is determined by the arbitrator (if the contract governed by the arbitration clause) or by the competent court as the case may be 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 supra 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 DFCCIL 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.

**52-A. Lien in respect of claims in Other Contracts: -**

- (i) 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 DFCCIL, against any claim of this or any other DFCCIL or any other Department of the Central Government in respect of a payment of a sum of money arising out of or under any other contract made by the contractor with this or any other Department of the Central Government.
- (ii) However, recovery of claims of DFCCIL in regard to terminated contracts may be made from the Final Bills, Security Deposits and Performance Guarantees of other contract or contracts, executed by the contractor. The Performance Guarantees submitted by the Contractor against other contracts, if required, may be withheld and encashed. In addition, 10% of each subsequent 'on-account bill' may be withheld, if required, for recovery of DFCCIL dues against the terminated contract.
- (iii) It is an agreed term of the contract that the sum of money so withheld or retained under this clause by the DFCCIL will be kept withheld or retained as such by the DFCCIL till the claim arising out of or under any other contract is either mutually settled or determined by arbitration, if the other contract is governed by arbitration clause or by the competent court as the case may be and 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.

**53.0 Signature on Receipts for Amounts:-** Every receipt for money which may become payable or for any security which may become transferable to the Contractors under these presents, shall, if signed in the partnership name by anyone of the partners of a Contractor's firm be a good and sufficient discharge to the DFCCIL in respect of the moneys or security purported to be acknowledged thereby and in the event of death of any of the Contractor, partners during the pendency of the contract it is hereby expressly agreed that every receipt by anyone of the surviving Contractor partners shall if so signed as aforesaid be good a sufficient discharge as aforesaid provided that nothing in this clause contained shall be deemed

to prejudice or effect any claim which the DFCCIL may hereafter have against the legal representative of any contractor partner so dying for or in respect to any breach of any of the conditions of the contract, provided also that nothing in this clause contained shall be deemed to prejudice or effect the respective rights or obligations of the Contractor partners and of the legal representatives of any deceased Contractor partners interse.

## LABOUR

**54.0 Wages to Labour:** - The Contractor shall be responsible to ensure compliance with the provision of the Minimum Wages Act, 1948 (hereinafter referred to as the “said Act”) and the Rules made there under in respect of any employees directly or through petty contractors or subcontractors employed by him for the purpose of carrying out this contract.

If, in compliance with the terms of the contract, the Contractor supplied any labour to be used wholly or partly under the direct orders and control of the DFCCIL whether in connection with any work being executed by the Contractor or otherwise for the purpose of the DFCCIL such labour shall, for the purpose of this clause, still be deemed to be persons employed by the Contractor.

If any moneys shall, as a result of any claim or application made under the said Act be directed to be paid by the DFCCIL, such money shall be deemed to be moneys payable to the DFCCIL by the Contractor and on failure by the Contractor to repay the DFCCIL any moneys paid by it as aforesaid within seven days after the same shall have been demanded, the DFCCIL shall be entitled to recover the same from Contractor’s bills/Security Deposit or any other dues of Contractor with the Government of India or DFCCIL.

**54-A. Apprentices Act:** - The Contractor shall be responsible to ensure compliance with the provisions of the Apprentices Act, 1961 and the Rules and Orders issued there under from time to time in respect of apprentices directly or through petty contractors or sub-contractors employed by him for the purpose of carrying out the Contract.

If the contractor directly or through petty contractors or sub-contractors fails to do so, his failure will be a breach of the contract and the DFCCIL may, in its discretion, rescind the contract. The contractor shall also be liable for any pecuniary liability arising on account of any violation of the provisions of the Act.

**55. Provisions of payments of Wages Act:** - The Contractor shall comply with the provisions of the Payment of Wages Act, 1936 and the rules made there under in respect of all employees employed by him either directly or through petty Contractors or sub-contractors in the works. If in compliance with the terms of the contract, the Contractor directly or through petty Contractors or sub-contractors shall supply any labour to be used wholly or partly under the direct orders and control of the Engineer whether in connection with the works to be executed hereunder or otherwise for the purpose of the Engineer, such labour shall nevertheless be deemed to comprise persons employed by the Contractor and any moneys which may be ordered to be paid by the Engineer shall be deemed to be moneys payable by the Engineer on behalf of the Contractor and the Engineer may on failure of the Contractor to repay such money to the DFCCIL deduct the same from any moneys due to the Contractor in terms of the contract. The DFCCIL shall be entitled to recover the same from Contractor’s bills/Security Deposit or any other dues of Contractor with the

Government of India or DFCCIL all moneys paid or payable by the DFCCIL by way of compensation of aforesaid or for costs of expenses in connection with any claim thereto and the decision of the Engineer upon any question arising out of the effect or force of this Clause shall be final and binding upon the Contractor.

**55-A. Provisions of Contract labour (Regulation and Abolition) Act, 1970:**

- 55-A. (1)** The contractor shall comply with the provision of the contract labour (Regulation and Abolition) Act, 1970 and the Contract labour (Regulation and Abolition) Central Rules 1971 as modified from time to time, wherever applicable and shall also indemnify the DFCCIL from and against any claims under the aforesaid Act and the Rules.
- 55-A. (2)** The Contractor shall obtain a valid licence under the aforesaid Act as modified from time to time before the commencement of the work and continue to have a valid licence until the completion of the work. Any failure to fulfil the requirement shall attract the penal provision of the Act.
- 55-A. (3)** The Contractor shall pay to the labour employed by him directly or through subcontractors the wages as per provision of the aforesaid Act and the Rules wherever applicable. The Contractor shall notwithstanding the provisions of the contract to the contrary, cause to be paid the wages to labour indirectly engaged on the works including any engaged by subcontractors in connection with the said work, as if the labour had been immediately employed by him.
- 55-A. (4)** In respect of all labour directly or indirectly employed in the work for performance of the contractor's part of the contract, the Contractor shall comply with or cause to be complied with the provisions of the aforesaid Act and Rules wherever applicable.
- 55-A.(5)** In every case in which, by virtue of the provisions of the aforesaid Act or the rules, the DFCCIL is obliged to pay any amount of wages to a workman employed by the Contractor or his sub-contractor in execution of the work or to incur any expenditure on account of the contingent, liability of the DFCCIL due to the Contractor's failure to fulfill his statutory obligations under the aforesaid Act or the rules, the DFCCIL will recover from the Contractor, the amount of wages so paid or the amount of expenditure so incurred and without prejudice to the rights of the DFCCIL under the Section 20, Sub-Section (2) and Section 2, Sub-Section (4) of the aforesaid Act, the DFCCIL shall be at liberty to recover such amount or part thereof from Contractor's bills/Security Deposit or any other dues of Contractor with the DFCCIL. The DFCCIL shall not be bound to contest any claim made against it under Sub-Section (1) of Section 20 and Sub-Section (4) of Section 21 of the aforesaid Act except on the written request of the Contractor and upon his giving to the DFCCIL full security for all costs for which the DFCCIL might become liable in contesting such claim. The decision of the CGM regarding the amount actually recoverable from the Contractor as stated above shall be final and binding on the Contractor.

**55-B. Provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952:**

The Contractor shall comply with the provisions of Para 30 & 36-B of the Employees Provident Fund Scheme, 1952; Para 3 & 4 of Employees' Pension Scheme, 1995; and Para 7 & 8 of Employees Deposit Linked Insurance Scheme, 1976; as modified from time to time through enactment of "Employees Provident Fund & Miscellaneous Provisions Act, 1952", wherever applicable and shall also indemnify the DFCCIL from and against any claims under the aforesaid Act and the Rules.

**55-C.(i)** Contractor is to abide by the provisions of Payment of Wages act & Minimum Wages act in terms of clause 54, 55, 55A and 55B of Indian Railways General Condition of Contract. In order to ensure the same, an application has been developed and hosted on website 'www.shramikkalyan.indianrailways.gov.in'. Contractor shall register his firm/company etc. and upload requisite details of labour and their payment in this portal. These details shall be available in public domain. The Registration/ updation of Portal shall be done as under:

- (a) Contractor shall apply for one-time registration of his company/firm etc. in the Shramikkalyan portal with requisite details subsequent to issue of Letter of Acceptance. Engineer shall approve the contractor's registration in the portal within 7 days of receipt of such request.
  - (b) Contractor once approved by any Engineer, can create password with login ID (PAN No.) for subsequent use of portal for all Letter of Acceptances (LoAs) issued in his favour.
  - (c) The contractor once registered on the portal, shall provide details of his Letter of Acceptances (LoA) / Contract Agreements on shramikkalyan portal within 15 days of issue of any LoA for approval of concerned Engineer. Engineer shall update (if required) and approve the details of LoA filled by contractor within 7 days of receipt of such request.
  - (d) After approval of LoA by Engineer, contractor shall fill the salient details of contract labours engaged in the contract and ensure updating of each wage payment to them on shramikkalyan portal on monthly basis.
  - (e) It shall be mandatory upon the contractor to ensure correct and prompt uploading of all salient details of engaged contractual labour & payments made thereof after each wage period.
- (ii) While processing payment of any 'On Account bill' or 'Final Bill' or release of 'Advances' or 'Performance Guarantee / Security deposit', contractor shall submit a certificate to the Engineer or Engineer's representatives that "I have uploaded the correct details of contract labours engaged in connection with this contract and payments made to them during the wage period in Railway's Shramikkalyan portal at 'www.shramikkalyan.indianrailways.gov.in' till \_\_\_Month, \_\_\_Year."

**55-D Provisions of "The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996" and "The Building and Other Construction Workers' Welfare Cess Act, 1996":**

The tenderers, for carrying out any construction work, shall get themselves registered with the Registering Officer under Section-7 of the Building and Other Construction Workers Act, 1996 and rules made thereto by the concerned State Govt., and submit certificate of Registration issued from the Registering Officer of the concerned State Govt. (Labour Dept.). The Cess shall be deducted from contractor's bills as per provisions of the Act.

**56.0 Reporting of Accidents:** - The Contractor shall be responsible for the safety of all employees directly or through petty contractors or sub-contractor employed by him on the works and shall report serious accidents to any of them however and wherever occurring on the works to the Engineer or the Engineers Representative and shall make every arrangement to render all possible assistance.

**57.0 Provision of Workmen's Compensation Act:-** In every case in which by virtue of the provisions of section 12 sub-section (1) of the Workmen's Compensation Act 1923, DFCCIL is obliged to pay

compensation to a workman directly or through petty contractor or subcontractor employed by the Contractor in executing the work, DFCCIL will recover from the Contractor the amount of the compensation so paid, and, without prejudice to the rights of DFCCIL under Section 12 Sub-section (2) of the said Act, DFCCIL shall be at liberty to recover such amount or any part thereof from contractor's bills/Security Deposit or any other dues of Contractor with the Government of India. DFCCIL shall not be bound to contest any claim made against it under Section 12 Sub-section (1) of the said Act except on the written request of the Contractor and upon his giving to DFCCIL full security for all costs for which DFCCIL might become liable in consequence of contesting such claim.

- 57-A. Provision of Mines Act:-** The contractor shall observe and perform all the provisions of the Mines Act, 1952 or any statutory modifications or re-enactment thereof for the time being in force and any rules and regulations made there under in respect of all the persons directly or through the petty contractors or sub-contractors employed by him under this contract and shall indemnify the DFCCIL from and against any claims under the Mines Act, or the rules and regulations framed there under, by or on behalf of any persons employed by him or otherwise.
- 58 Railway/DFCCIL not to provide quarters for Contractors: -** No quarters shall normally be provided by the DFCCIL for the accommodation of the contractor or any of his staff employed on the work. In exceptional cases where accommodation is provided to the Contractor at the DFCCIL discretion, recoveries shall be made at such rates as may be fixed by the DFCCIL for the full rent of the buildings and equipments therein as well as charges for electric current, water supply and conservancy.
- 59.(1) Labour Camps: -** The contractor shall at his own expense make adequate arrangements for the housing, supply of drinking water and provision of latrines and urinals for his staff and workmen, directly or through the petty contractors or sub-contractors and for temporary crèche (*Bal-mandir*) where 50 or more women are employed at a time. Suitable sites on DFCCIL land, if available, may be allotted to the contractor for the erection of labour camps, either free of charge or on such terms and conditions that may be prescribed by the DFCCIL. All camp sites shall be maintained in clean and sanitary conditions by the contractor at his own cost.
- 59.(2) Compliance to rules for employment of labour:-** The contractor(s) shall conform to all laws, by-laws rules and regulations for the time being in force pertaining to the employment of local or imported labour and shall take all necessary precautions to ensure and preserve the health and safety of all staff employed directly or through petty contractors or sub-contractors on the works.
- 59.(3) Preservation of peace: -** The contractor shall take requisite precautions and use his best endeavours to
- (i) Prevent any riotous or unlawful behaviour by or amongst his workmen and other employed directly or through the petty contractors or sub-contractors on the works and for the preservation of peace and protection of the inhabitants and
  - (ii) Security of property in the neighbourhood of the works. In the event of the DFCCIL requiring the maintenance of a special Police Force at or in the vicinity of the site during the tenure of works, the expenses thereof shall be borne by the contractor and if paid by the DFCCIL shall be recoverable from the contractor.



- 59.(4) Sanitary Arrangements:** - The contractor shall obey all sanitary rules and carry out all sanitary measures that may from time to time be prescribed by the Local Medical Authority and permit inspection of all sanitary arrangements at all times by the Engineer, the Engineer's Representative or the Medical staff of the Local Medical Authority.
- 59.(5) Outbreak of infectious disease:** - The contractor shall remove from his camp such labour and their families as refuse protective inoculation and vaccination when called upon to do so by the Engineer or the Engineer's representative on the advice of the Local Medical Authority. Should cholera, plague or other infectious disease break out, the contractor shall burn the huts, beddings, clothes and other belongings of or used by the infected parties and promptly erect new huts on health sites as required by the Engineer, failing which within the time specified in the Engineer's requisition, the work may be done by the DFCCIL and the cost therefore recovered from the contractor.
- 59.(6) Deleted**
- 59.(7) Medical facilities at site:** - The Contractor shall provide medical facilities at the site as may be prescribed by the Engineer on the advice of the Local Medical Authority in relation to the strength of the Contractor's resident staff and workmen.
- 59.(8) Use of intoxicants:** - The sale of ardent spirits or other intoxicating beverages upon the work or in any of the buildings, encampments or tenements owned, occupied by or within the control of the contractor or any of his employees shall be forbidden and the Contractor shall exercise his influence and authority to the utmost extent to secure strict compliance with this condition.
- 59.(9) Restrictions On The Employment Of Retired Engineers Of Railway/DFCCIL Services Within one Year Of Their Retirement:** The Contractor shall not, if he is a retired Government Engineer of Gazetted rank, himself engage in or employ or associate a retired Government Engineer of Gazetted rank, who has not completed one year from the date of retirement, in connection with this contract in any manner whatsoever without obtaining prior permission of the President and if the Contractor is found to have contravened this provision it will constitute a breach of contract and administration will be entitled to terminate the contract and forfeit his Performance Guarantee as well as Security Deposit.
- 60.(1) Non-employment of labours below the age of 15:** - The Contractor shall not employ children below the age of 15 as labourers directly or through petty contractors or subcontractors for the execution of work.
- 60.(2) Medical Certificate of fitness for labour:** - It is agreed that the contractor shall not employ a person above 15 and below 19 years of age for the purpose of execution of work under the contract unless a medical certificate of fitness in the prescribed form (**Proforma at Form No. 15**) granted to him by a certifying surgeon certifying that he is fit to work as an adult, is obtained and kept in the custody of the contractor or a person nominated by him in this behalf and the person carries with him, while at work; a token giving a reference to such certificate. It is further agreed that the responsibility for having the adolescent examined medically at the time of appointment or periodically till he attains the age of 19 years shall devolve entirely on the contractor and all the expenses to be incurred on this account shall be borne by him and no fee shall be charged from the adolescent or his parent for such medical examination.

- 60.(3) Period of validity of medical fitness certificate:** - A certificate of fitness granted or renewed for the above said purposes shall be valid only for a period of one year at a time. The certifying surgeon shall revoke a certificate granted or renewed if in his opinion the holder of it is, no longer fit for work in the capacity stated therein. Where a certifying surgeon refuses to grant or renew a certificate or revoke a certificate, he shall, if so, required by the person concerned, state his reasons in writing for doing so.
- 60.(4) Medical re-examination of labourer:-** Where any official appointed in this behalf by the Ministry of labour is of the opinion that any person employed in connection with the execution of any work under this contract in the age group 15 to 19 years is without a certificate of fitness or is having a certificate of fitness but no longer fit to work in the capacity stated in the certificate, he may serve on the Contractor, or on the person nominated by him in the regard, a notice requiring that such persons shall be examined by a certifying surgeon and such person shall not if the concerned official so directs, be employed or permitted to do any work under this contract unless he has been medically examined and certified that he is fit to work in the capacity stated in the certificate.

**EXPLANATIONS: -**

- (1) Only qualified medical practitioners can be appointed as “Certifying Surgeons” and the term “Qualified Medical Practitioners” means a person holding a qualification granted by an authority specified in the Schedule to the Indian Medical Degrees Act, 1916 (*VII to 1916*) or in the Schedule to the Indian Medical Council Act, 1933 (*XXVII*) of 1933.
- (2) The Certifying surgeon may be a medical officer in the service of State or Municipal Corporation.

**DETERMINATION OF CONTRACT**

- 61.(1) Right of DFCCIL of determine the contract:-** The DFCCIL shall be entitled to determine and terminate the contract at any time should, in the DFCCIL’s opinion, the cessation of work becomes necessary owing to paucity of funds or from any other cause whatever, in which case the value of approved materials at site and of work done to date by the Contractor will be paid for in full at the rate specified in the contract. Notice in writing from the DFCCIL of such determination and the reasons therefore shall be conclusive evidence thereof.
- 61. (2) Payment on determination of contract:** - Should the contract be determined under sub clause (1) of this clause and the Contractor claims payment for expenditure incurred by him in the expectation of completing the whole of the work, the DFCCIL shall admit and consider such claims as are deemed reasonable and are supported by vouchers to the satisfaction of the Engineer. The DFCCIL’s decision on the necessity and propriety of such expenditure shall be final and conclusive.
- 61.(3)** The contractor shall have no claim to any payment of compensation or otherwise, howsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not derive in consequence of determination of contract.
- 62.(1) Determination of contract owing to default of contractor: -** If the Contractor should: -
- (i) Becomes bankrupt or insolvent, or

- (ii) Make an arrangement with of assignment in favour of his creditors, or agree to carry out the contract under a Committee of Inspection of his creditors, or
- (iii) Being a Company or Corporation, go into liquidation (*other than a voluntary liquidation for the purposes of amalgamation or reconstruction*), or
- (iv) Have an execution levied on his goods or property on the works, or
- (v) Assign the contract or any part thereof otherwise than as provided in Clause 7 of these conditions, or
- (vi) Abandon the contract, or
- (vii) Persistently disregard the instructions of the Engineer, or contravene any provision of the contract, or
- (viii) Fail to adhere to the agreed programme of work by a margin of 10% of the stipulated period, or
- (ix) Fail to execute the contract documents in terms of Clause 1.3.7 of the Preamble and Instructions to Bidder in Part-I, Chapter-III of Tender Document.
- (x) Fails to submit the documents pertaining to identity of JV and PAN in terms of Clause 1.3.17.11 of Tender Form available in the Regulations for Tenders and Contracts.
- (xi) Fail to remove materials from the site or to pull down and replace work after receiving from the Engineer notice to the effect that the said materials or works have been condemned or rejected under Clause 25 and 27 of these Conditions, or
- (xii) Fail to take steps to employ competent or additional staff and labour as required under Clause 26 of the Conditions, or
- (xiii) Fail to afford the Engineer or Engineer's representative proper facilities for inspecting the work or any part thereof as required under clause 28 of the conditions, or
- (xiv) Promise, offer or give any bribe, commission, gift or advantage either himself or through his partner, agent or servant to any officer or employee of the DFCCIL or to any person on his or on their behalf in relation to the execution of this or any other contract with this DFCCIL.
- (xv) Fail to adhere to the provisions specified in "**Preamble & Instructions to Tenderers**", Part-I, Chapter-III of Tender Document or Provision of above Clause 59(9).
- (xvi) Submits copy of fake documents/certifications in support of credentials, submitted by the tenderer

Then and in any of the said Clause, the Engineer on behalf of the DFCCIL may serve the Contractor with a notice (**Proforma at Form no. 16**) in writing to that effect and if the Contractor does not within seven days after the delivery to him of such notice proceed to make good his default in so far as the same is capable of being made good and carry on the work or comply with such directions as aforesaid of the entire satisfaction of the Engineer, the DFCCIL shall be entitled after giving 48 hours' notice (**Proforma at Form no. 17 or 17A, as the case may be**) in writing under the hand of the Engineer to rescind the contract as a whole or in part or parts (as may be specified in such notice) and after expiry of 48 hours' notice, a final termination notice (**Proforma at Form no. 16 or 18A, as the case may be**) should be issued.

**Note:** Engineer at his discretion may resort to the part termination of contract with notices (**Proforma at Form no. 16, 17A and 18A**), only in cases where progress of work is more than or equal to 80% of the original scope of work.

**62.(2) Right of DFCCIL after, rescission of contract owing to default of contractor:**

In the event of any or several of the courses, referred to in sub-clause (1) of the clause, being adopted.

- (a) 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 commitments or made any advances on account of or with a view to the execution of the works or the performance of the contract and Contractor shall not be entitled to recover or be paid any sum for any work thereto for actually performed under the contract unless and until the Engineer shall have certified the performance of such work and the value payable in respect thereof and the Contractor shall only be entitled to be paid the value so certified.
- (b) In the contract which has been rescinded as a whole, the Security Deposit already with DFCCIL under the contract shall be encashed/ forfeited and the Performance Guarantee already submitted for the contract shall be encashed. The balance work shall be got done independently without risk & cost of the failed Contractor. The failed Contractor shall be debarred from participating in the tender for executing the balance work. If the failed Contractor is a JV or a Partnership firm, then every member/partner of such a firm shall be debarred from participating in the tender for the balance work in his/her individual capacity or as a partner of any other JV /partnership firm.

Further the authorized representative of failed Contractor cannot be accepted as authorized representative in new contract.

- (c) In the contract rescinded in part or parts,
  - (i) The full Performance Guarantee for the contract shall be recovered. No additional Performance Guarantee shall be required for balance of work being executed through the part terminated contract. The contract value of part terminated contract stands reduced to the balance value of work under the contract.
  - (ii) The Security Deposit of part terminated contract shall be dealt as per clause 16(2) of GCC.
  - (iii) The defaulting Contractor shall not be issued any completion certificate for the contract.
  - (iv) The balance work shall be got done independently without risk & cost of the failed Contractor. The failed Contractor shall be debarred from participating in the tender for executing the balance work. If the failed Contractor is a JV or a Partnership firm, then every member/partner of such a firm shall be debarred from participating in the tender for the balance work in his/her individual capacity or as a partner of any other JV /partnership firm.
- (v) Further the authorized representative of failed Contractor will not be accepted as authorized representative in new contract.

- (d) The Engineer or the Engineer's Representative shall be entitled to take possession of any materials, tools, implements, machinery and buildings on the works or on the property on which these are being or ought to have been executed, and to retain and employ the same in the further execution of the works or any part thereof until the completion of the works without the Contractor being entitled to any compensation for the use and employment thereof or for wear and tear or destruction thereof.
- (e) The Engineer shall as soon as may be practicable after removal of the Contractor fix and determine ex-parte or by or after reference to the parties or after such investigation or enquiries as he may consider fit to make or institute and shall certify what amount (if any) had at the time of rescission of the contract been reasonably earned by or would reasonably accrue to the Contractor in respect of the work then actually done by him under the contract and what was the value of any unused, or partially used materials, any constructional plant and any temporary works upon the site. The legitimate amount due to the Contractor after making necessary deductions and certified by the Engineer should be released expeditiously.

### **SETTLEMENT OF DISPUTES**

**63.0 Conciliation of disputes:** All disputes and differences of any kind whatsoever arising out of or in connection with the contract, whether during the progress of the work or after its completion and whether before or after the determination of the contract, shall be referred by the Contractor to the CGM)" through "Notice of Dispute" provided that no such notice shall be served later than 30 days after the date of issue of Completion Certificate by the Engineer. MD/DFCCIL shall, within 30 days after receipt of the Contractor's "Notice of Dispute", notify the name of conciliator(s) to the Contractor.

The Conciliator(s) shall assist the parties to reach an amicable settlement in an independent and impartial manner within the terms of contract.

If the parties reach agreement on a settlement of the dispute, they shall draw up and sign a written settlement agreement duly signed by DFCCIL, Contractor and conciliator(s). When the parties sign the settlement agreement, it shall be final and binding on the parties.

The parties shall not initiate, during the conciliation proceedings, any arbitral or judicial proceedings in respect of a dispute that is the subject matter of the conciliation proceedings.

The conciliation proceedings shall be terminated as per Section 76 of 'The Arbitration and Conciliation Act, 1996.

**63.1 Matters Finally Determined by the DFCCIL:** All disputes and differences of any kind whatsoever arising out of or in connection with the contract, whether during the progress of the work or after its completion and whether before or after the determination of the contract, shall be referred by the Contractor to the MD/DFCCIL and the MD/DFCCIL shall, within 120 days after receipt of the Contractor's representation, make and notify decisions on all matters referred to by the Contractor in writing provided that matters for which provision has been made in Clauses 7(j), 8, 18, 22(5), 39, 43(2), 45(i)(a), 55, 55-A(5), 57, 57A, 61(1), 61(2) and 62(1) of Standard General Conditions of Contract or in any Clause (stated as excepted matter) of the Special Conditions of the Contract, shall be deemed as 'excepted matters' (matters not arbitrable) and decisions of the DFCCIL Authority,

thereon shall be final and binding on the Contractor; provided further that 'excepted matters' shall stand specifically excluded from the purview of the Arbitration Clause.

**64. (1) Demand for Arbitration: -**

- 64. (1)(i)** In the event of any dispute or difference between the parties hereto as to the construction or operation of this contract, or the respective rights and liabilities of the parties on any matter in question, dispute or difference on any account or as to the withholding by the DFCCIL of any certificate to which the Contractor may claim to be entitled to, or if the DFCCIL fails to make a decision within 120 days, then and in any such case, but except in any of the "excepted matters" referred to in Clause 63.1 of these Conditions, the Contractor, after 120 days but within 180 days of his presenting his final claim on disputed matters shall demand in writing that the dispute or difference be referred to arbitration.
- 64.(1) (ii)(a)** The demand for arbitration shall specify the matters which are in question, or subject of the dispute or difference as also the amount of claim item-wise. Only such dispute or difference, in respect of which the demand has been made, together with counter claims or set off, given by the DFCCIL, shall be referred to arbitration and other matters shall not be included in the reference.
- 64.(1)(ii)(b)** The parties may waive off the applicability of Sub-Section 12(5) of Arbitration and Conciliation (Amendment) Act 2015, if they agree for such waiver in writing, after dispute having arisen between them, in the format given under **(Form No. 25)** of these conditions.
- 64.(1)(iii)(a)** The Arbitration proceedings shall be assumed to have commenced from the day, a written and valid demand for arbitration is received by the DFCCIL.
- 64.(1)(iii)(b)** The claimant shall submit his claim stating the facts supporting the claims alongwith all the relevant documents and the relief or remedy sought against each claim within a period of 30 days from the date of appointment of the Arbitral Tribunal.
- 64.(1)(iii)(c)** The DFCCIL shall submit its defence statement and counter claim(s), if any, within a period of 60 days of receipt of copy of claims from Tribunal, unless otherwise extension has been granted by Tribunal.
- 64.(1)(iii)(d) Place of Arbitration:** The place of arbitration would be within the geographical limits of the CGM Unit where the cause of action arose or the Headquarters of the DFCCIL or any other place with the written consent of both the parties.
- 64.(1)(iv)** No new claim shall be added during proceedings by either party. However, a party may amend or supplement the original claim or defence thereof during the course of arbitration proceedings subject to acceptance by Tribunal having due regard to the delay in making it.
- 64.(1)(v)** If the Contractor(s) does/do not prefer his/their specific and final claims in writing, within a period of 90 days of receiving the intimation from the DFCCIL that the final bill is ready for payment, he/they will be deemed to have waived his/their claim(s) and the DFCCIL shall be discharged and released of all liabilities under the contract in respect of these claims.
- 64.(2) Obligation During Pendency of Arbitration:** Work under the contract shall, unless otherwise directed by the Engineer, continue during the arbitration proceedings, and no payment due or payable by the

Railway shall be withheld on account of such proceedings, provided, however, it shall be open for Arbitral Tribunal to consider and decide whether or not such work should continue during arbitration proceedings.

**64.(3) Appointment of Arbitrator**

- 64.(3)(a)(i)** In cases where the total value of all claims in question added together does not exceed ₹ 1,00,00,000/- (Rupees One Crore), the Arbitral Tribunal shall consist of a Sole Arbitrator nominated by MD/DFCCIL from approved panel of Arbitrators in DFCCIL. The sole arbitrator shall be appointed within 60 days from the day when a written and valid demand for arbitration is received by MD/DFCCIL.
- 64.(3)(a)(ii)** In cases not covered by the Clause 64(3)(a)(i), the Arbitral Tribunal shall consist of a panel of three Officials, as the Arbitrators. For this purpose, the DFCCIL will send a panel of Three (3) names empanelled Arbitrators to work as Arbitrator to the contractor within 60 days from the day when a written and valid demand for Arbitration is received by the MD/DFCCIL. Contractor will be asked to suggest to MD/DFCCIL at least 2 names out of the panel for appointment as Contractor's nominee within 30 days from the date of dispatch of the request by DFCCIL. The MD/DFCCIL shall appoint at least one out of them as the Contractor's nominee and will, also simultaneously appoint the second Arbitrator.
- (b)** Third member, who will also act as the presiding member, will be appointed by mutual consent of the first two members from the list of empanelled DFCCIL Arbitrators. If these two members fail to reach an agreement on the third member then, on request by either or both parties, appointment will be made by the MD/DFCCIL.
- (c)** The tribunal shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of the Engineer, and any decision of the conciliator/s relevant to the dispute.
- (d)** Neither party shall be limited in the proceedings before the tribunal to the evidence or arguments previously put before the conciliator/s to obtain its decision, or to the reasons for dissatisfaction given in its notice of dissatisfaction.
- (e)** Arbitration may be commenced prior to or after completion of the works. The obligations of the Parties, the Engineer and the conciliator/s shall not be altered by reason of any arbitration being conducted during the progress of the Works.
- 64.(3)(a)(iii)** If one or more of the arbitrators appointed as above refuses to act as arbitrator, withdraws from his office as arbitrator, or vacates his/their officer/offices or is/are unable or unwilling to perform his functions as arbitrator for any reason whatsoever or dies or in the opinion of the MD/DFCCIL fails to act without undue delay, the MD/DFCCIL shall appoint new arbitrator/arbitrators to act in his/their place in the same manner in which the earlier arbitrator/arbitrators had been appointed. Such re-constituted Tribunal may, at its discretion, proceed with the reference from the stage at which it was left by the previous arbitrator(s).
- 64.(3)(b)(i):(a)** The Arbitral Tribunal shall have power to call for such evidence by way of affidavits or otherwise as the Arbitral Tribunal shall think proper, and it shall be the duty of the parties hereto to do or cause to

be done all such things as may be necessary to enable the Arbitral Tribunal to make the award without any delay. The proceedings shall normally be conducted on the basis of documents and written statements.

(b) Before proceedings into the merits of any dispute, the Arbitral Tribunal shall first decide and pass its orders over any plea submitted/objections raised by any party, if any, regarding appointment of Arbitral Tribunal, validity of arbitration agreement, jurisdiction and scope of the Tribunal to deal with the dispute(s) submitted to arbitration, applicability of time 'limitation' to any dispute, any violation of agreed procedure regarding conduct of the arbitral proceedings or plea for interim measures of protection and record its orders in day to day proceedings. A copy of the proceedings duly signed by all the members of tribunal should be provided to both the parties.

- 64.3(c)(i):** The arbitral award shall state item wise, the sum and reasons upon which it is based. The analysis and reasons shall be detailed enough so that the award could be inferred therefrom.
- 64.3(c)(ii):** A party may apply for corrections of any computational errors, any typographical or clerical errors or any other error of similar nature occurring in the award of a Tribunal and interpretation of a specific point of award to Tribunal within 60 days of receipt of the award.
- 64.3(c)(iii):** A party may apply to Tribunal within 60 days of receipt of award to make an additional award as to claims presented in the arbitral proceedings but omitted from the arbitral award.
- 64.(4):** In case of the Tribunal, comprising of three members, any ruling on award shall be made by a majority of members of Tribunal. In the absence of such a majority, the views of the Presiding Arbitrator shall prevail.
- 64.(5):** Where the arbitral award is for the payment of money, no interest shall be payable on whole or any part of the money for any period till the date on which the award is made.
- 64.(6):** The cost of arbitration shall be borne by the respective parties. The cost shall inter-alia include fee of the arbitrator(s), as per the rates fixed by DFCCIL from time to time and the fee shall be borne equally by both the parties, provided parties sign an agreement in the format given at "**Form No. 25**" to these conditions after/ while referring these disputes to Arbitration. Further, the fee payable to the arbitrator(s) would be governed by the instructions issued on the subject by DFCCIL from time to time irrespective of the fact whether the arbitrator(s) is/are appointed by the DFCCIL or by the court of law unless specifically directed by Hon'ble court otherwise on the matter.
- 64.(7)** Subject to the provisions of the aforesaid Arbitration and Conciliation Act 1996 and the rules thereunder and relevant para of General Conditions of Contract (GCC) and any statutory modifications thereof shall apply to the appointment of arbitrators and arbitration proceedings under this Clause.