



GAMMON INDIA LIMITED

GENERAL CONDITIONS OF WORK ORDER

VERSION 1 (SEPT 2014)

These General Conditions of Work Order shall be read in conjunction with the Special Conditions, if any and shall form an integral and binding part of the Work Order placed on the Subcontractor / Piece Rate Worker (PRW) or the Subcontract Agreement signed with the 'Subcontractor' by Gammon India Limited (hereinafter referred to as the Main Contractor or the Company) and collectively referred as Parties for the execution of the 'Subcontract Works' / 'PRW Works'.

Applicability of these General Conditions shall be as follows:

Section	Applicability
Section I & Section II	Subcontractor
Section I & Section III	PRW
Section IV	Equipment Hire
Section V	Vehicle Hire

SECTION I

1. DEFINITIONS

In these General Conditions, the following words and expressions shall have the meanings hereby assigned to them:

1.1 Employer: 'Employer' means the Government/ Government Body/ Company/ Association of Persons/ Proprietary Firm/ Partnership Firm/ Individual or like as stated / defined in the Letter of Intent or Work Order or Subcontract Agreement and the legal successors in title to, or assignees of such person, as notified to the Subcontractor/ PRW from time to time by the Company.

1.2 Main Contract: 'Main Contract' means the Agreement / Contract entered into between the Employer and Gammon India Limited or between the Employer and Joint Venture in which Gammon India Limited is one of the constituents.

1.3 Main Contractor or Company: 'Main Contractor' or 'Company' means Gammon India Limited, having its Registered Office at Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai- 400025 and shall deem to mean and include its successors and assigns.

1.4 Subcontract or Subcontract Agreement: 'Subcontract' or 'Subcontract Agreement' means the Work Order placed on the Subcontractor or the Agreement signed with the Subcontractor by the Company for the execution of the specified portion of the scope of the Main Contract (hereinafter referred as 'Subcontract Works') and shall mean and include the Letter of Intent, the Work Order, the Subcontract Agreement, the Special Conditions of Subcontract, these General Conditions of Work Order, the Specifications of Subcontract, the Subcontract Drawings, the Accepted Priced Bill of Quantities of the Subcontract and the further documents, if any, which are listed in the Letter of Intent or the Work Order or the Subcontract.

1.5 Engineer/ Consultant/ Architect: 'Engineer/ Consultant / Architect' means the Client's Executive Officer or Client's Consultant or Architect in charge of the Work.

1.6 Company's Authorized Representative: 'Company's Authorized Representative' means the Company's Project In-Charge.

1.7 Company's Authorized Signatory: 'Company's Authorized Signatory' means the Company's Authorized Officer from its Registered Office.

1.8 Piece Rate Worker (PRW): 'Piece Rate Worker (PRW)' means a person i.e. an individual, company, body corporate, HUF or a firm (proprietary or partnership) or an Association of Persons (i.e. consortium, a joint venture, or by whatever nomenclature called) or like whose Offer has been accepted by the Company and named as PRW in the Work Order and the legal successors in title to this (these) person(s), but not (except with the prior written consent of the Company) any assignee of this (these) person(s).

1.9 PRW Agreement: 'PRW Agreement' means the Work Order or Agreement signed with the PRW by the Company for the execution of the specified Scope of Work as specified in the Work Order (hereinafter referred as 'PRW Work(s)') and shall mean and include the Work Order and/or the PRW Agreement, the Special Conditions, these General Conditions, the Specifications of Work Order for PRW, the drawings and the further documents, if any, which are listed in the Work Order.

1.10 PRW Works: 'PRW Works' mean the work(s) to be executed, items and / or activities to be carried out and / or services to be performed in accordance with the Work Order or part(s) thereof as the case may be and shall include all permanent and temporary works or extra or additional or altered or substituted works as required for the performance of the Work Order and urgent measures which in the opinion of the Company become necessary during the process of work to obviate any risk of accident or failure including the remedying of defects therein.

1.11 Subcontractor: 'Subcontractor' means a person (i.e. an individual, company, body corporate, HUF) or a firm (proprietary or partnership) or an Association of Persons (i.e. consortium, a joint venture, or by whatever nomenclature called) or like whose Offer has been accepted by the Company and named as Subcontractor in the Letter of Intent or the Work Order or the Subcontract and the legal successors in title to this (these) person(s), but not (except with the prior written consent of the Company) any assignee of this (these) person(s).

1.12 Subcontract Works: 'Subcontract Works' mean the work(s) to be executed, items and / or activities to be carried out and / or services to be performed in accordance with the Letter of Intent or the Work Order or the Subcontract or part(s) thereof as the case may be and shall include all permanent and temporary works or extra or additional or altered or substituted works as required for the performance of the Subcontract and urgent measures which in the opinion of the Company become necessary during the process of work to obviate any risk of accident or failure and shall include completion of the Works fit for the purpose as per the Main Contract entered in to between the Employer and the Company including the remedying of defects therein.

1.13 Main Contractor's Engineer: 'Main Contractor's Engineer' means the 'Project In Charge' of the Main Contractor and/or the person specifically appointed and authorized by the Main Contractor to act as Main Contractor's Engineer for the purposes of the Work Order / Subcontract or other person appointed from time to time by the Main Contractor and notified to the Subcontractor/ PRW.

1.14 Specifications: 'Specifications' means the document entitled Specifications (shall include Technical Specifications with respect to the Subcontract Works), as included in the Letter of Intent or the Work Order or the Subcontract and any additions or modifications to the Specifications in accordance with the Main Contract and shall include the directions, requirements and provisions furnished or approved in writing by the Main Contractor's Engineer or the Consultant or the Employer as the case may be. Such document specifies the Works.

1.15 Time for Completion: Subcontractor/ PRW's 'Time for Completion' means the time for completing the Subcontract Works fit for the purpose or a Section/Milestone thereof (as the case may be) where Milestone completion dates are stipulated, as stated in the Letter of Intent or the Work Order or the Subcontract and shall always include the mobilisation period and monsoon period as well.

1.16 Accepted Subcontract Amount: 'Accepted Subcontract Amount' means either the Lump Sum Amount or the total sum derived from the multiplication of quantities of such item and

its rates accepted by the Company and after deduction of all rebates/debits as per the Accepted Priced Bill of Quantities of the Subcontract enclosed with the Letter of Intent or the Work Order or the Subcontract for the execution and completion of Work fit for the purpose including the remedying of defects therein in accordance with Clause 10 'The Scope of Work' of these Conditions.

1.17 Subcontractor / PRW's Equipment: 'Subcontractor/ PRW's Equipment' mean all apparatus, plant, equipment, machinery, vehicles, tools, tackles, and other things required for the execution and completion of the Subcontract Works fit for the purpose and the remedying of defects therein and which belong to and/or is provided by the Subcontractor/ PRW. However, Subcontractor/ PRW's Equipment excludes Temporary Works, Employer's and/or the Company's Equipment, if any; Plant, Materials and any other things intended to form or forming part of the Permanent Works.

1.18 Subcontractor's Documents: 'Subcontractor's Documents' mean the calculations, computer programs and other software, drawings, manuals, models and other documents of a technical nature, if any, supplied by the Subcontractor under the Work Order / Subcontract.

1.19 Temporary Works: 'Temporary Works' mean all temporary works of every kind (other than Subcontractor/ PRW's Equipment) required on Site for the execution and completion of the Permanent Works and the remedying of defects therein.

1.20 Permanent Works: 'Permanent Works' mean the permanent works to be executed (including without limitation, all permanent structures and all work intended to form a continuing function after completion of the Works) in accordance with the Work Order / Subcontract.

1.21 Applicable Laws: 'Applicable Laws' mean all laws, brought in to force and effect by Government of India or the State Government or the local bodies including rules, regulations and notifications made there under and judgments, decrees, injunctions, writs and orders of any court of record, applicable to this Work Order / Subcontract and the exercise, performance and discharge of the respective rights and obligations of the Parties hereunder, as may be in force and effect during the subsistence of this Work Order / Subcontract and shall include its statutory modifications, amendments, re-enactments, consolidations and substitutions as may be in force from time to time

2. INTERPRETATION

2.1 In these Conditions, except where the context requires otherwise, words imparting the singular also include the plural and vice versa.

2.2 The marginal words and other headings shall not be taken into consideration in the interpretation of these Conditions.

2.3 Any reference to a statutory provision shall include such provision as is from time to time modified or amended or re-enacted or consolidated or substituted so far as such modification or amendment or re-enactment or consolidation or substitution applies or is capable of applying to any transactions entered into hereunder.

2.4 The rule of construction or interpretation, if any, that a contract should be interpreted against the Party/Parties responsible for drafting and preparing the Contract shall not apply.

3. NOTICES, APPROVALS, CERTIFICATES, CONSENTS, DETERMINATIONS, REQUESTS AND DISCHARGES AND OTHER COMMUNICATION

Wherever these Conditions provide for the giving or issuing of any notices, approvals, certificates, consents, determinations, requests and discharges, unless otherwise specified; such notices, approvals, certificates, consents, determinations, requests and discharges shall be in writing and the words 'notify', 'approve', 'certify', 'confirm' 'determine', 'request' or 'discharge' shall be construed accordingly.

All communication from the Company to the Subcontractor/ PRW shall be delivered by hand (against receipt), or sent by Registered A. D. Post or by courier service or through official electronic mail to the Authorized Officer of the Subcontractor/ PRW as notified by the Subcontractor/ PRW from time to time.

All communication from the Subcontractor/ PRW to the Company shall be delivered by hand (against receipt), or sent by Registered A. D. Post or by courier service or through official electronic mail as follows:

a) Day to day communication shall be addressed to the Authorized Representative of the Company at the Project Site.

b) Contractual correspondence or notice for claim which may involve financial implications either now or at a later date shall be addressed to the Authorized Signatory of the Company at its Registered Office at Mumbai at the following address:

**Gammon India Limited,
Gammon House,
Veer Savarkar Marg, Prabhadevi,
Mumbai 400 025.**

Further it is expressly agreed that no notice as regards claims, if any, from the Subcontractor/ PRW which may involve financial implications either now or at a later date shall be treated as valid unless the same is served within 14 (Fourteen) days of occurrence of the event and served to the Authorized Signatory of the Company at its Registered Office in Mumbai and that any notice not served within the above specified time limit or not served to the Authorized Signatory of the Company at its Registered Office in Mumbai shall be treated as invalid.

4. LANGUAGE

The ruling language of the Work Order / Subcontract including all documents thereof and for all further correspondence between the Company and the Subcontractor/ PRW shall be English.

5. GOVERNING LAWS

The Work Order / Subcontract shall be governed by the Laws of India and courts in Mumbai shall have exclusive jurisdiction over all matters arising out of or relating to this Work Order / Subcontract.

Notwithstanding the place where the Work Order/ Subcontract is signed or the place where the work under the Work Order/ Subcontract is to be executed, it is mutually understood and agreed by and between the Parties hereto, that this Work Order/ Subcontract shall be deemed to have been entered into by the Parties concerned in the City of Mumbai.

6. INDEMNITY

The Subcontractor/ PRW hereby indemnifies and keeps indemnified and hold harmless the Company against and from all claims, actions,



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suits, demands, liabilities, charges, and any / all proceedings and any/ all losses or damages or cost or expenses (including legal fees and expenses) including third party claims that may be suffered, incurred or expected to be so suffered or incurred by the Company on account of anything done or omitted to be done by the Subcontractor/PRW in connection with this Work Order / Subcontract or any part thereof, the Works and performance of its obligations, duties, responsibilities or liabilities under this Work Order/ Subcontract or otherwise.

7. EXCLUSIONS

The Sub Contractor/ PRW has clearly understood that the terms and conditions herein contained, has been negotiated by and entered into on behalf of the Company and the Sub Contractor/ PRW understands and accepts that the Chairman and Managing Director of the Company or any Director(s) of the Company or the Chief Operating Officer of the Company has no part to play in the negotiations and execution of these presents and accordingly is not liable at all in contract, tort or crime in respect of this Work Order / Subcontract or any acts pertaining thereto including prior to its execution. The Sub Contractor/ PRW accordingly undertakes that under no circumstances shall he/it sue and/or prosecute the Chairman and Managing Director of the Company, any Director(s) of the Company, the Chief Operating Officer of the Company in respect of the breach of any terms and conditions herein or in respect of any acts, deeds or statements that preceded this Contract and pertaining to it.

8. INSTRUCTIONS IN WRITING

Instructions given by the Main Contractor's Engineer shall be in writing, provided that, if for any reason, the Main Contractor's Engineer considers it necessary to give any such instruction orally, the Subcontractor/ PRW shall comply with such instruction. Confirmation in writing of such oral instruction given by the Main Contractor's Engineer, whether before or after the carrying out of the instruction, shall be deemed to be an instruction within the meaning of this Clause.

9. REPRESENTATIONS AND WARRANTIES

The Subcontractor/ PRW represents, warrants and confirms to the Company that:

9.1 it is duly organised and validly existing under the Laws of India and has full power and authority to execute and perform its obligations under this Work Order / Subcontract and to carry out the transactions contemplated hereby;

9.2 it has taken all necessary corporate and other action under the Applicable Laws and its constitutional documents to authorize the execution, delivery and performance of this Work Order / Subcontract;

9.3 it has the financial standing and capacity to undertake the execution of Works subcontracted to it under this Work Order / Subcontract;

9.4 this Work Order / Subcontract constitutes its legal, valid and binding obligation enforceable against it in accordance with the terms hereof, and its obligations under this Work Order / Subcontract shall be legally valid, binding and enforceable obligations against it in accordance with the terms hereof;

9.5 it is subject to the Laws of India, and hereby expressly and irrevocably waives any immunity in any jurisdiction in respect of this Work Order / Subcontract or matters arising there under including any obligation, duty, responsibility or liability hereunder;

9.6 the execution, delivery and performance of this Work Order / Subcontract will not conflict with, result in the breach of, constitute a default under or accelerate performance required by any of the terms of the constitutional documents of the Subcontractor/ PRW or any Applicable Laws or any covenant, contract agreement, understanding, decree or order to which it is a party or by which it or any of its properties or assets is bound or affected;

9.7 there are no actions, suits, proceedings, or investigations pending or, to the Subcontractor/ PRW's knowledge, threatened against it under the Applicable Laws or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which individually or in the aggregate may result in the breach of or constitute a default of the Subcontractor/ PRW under this Work Order / Subcontract or which individually or in the aggregate may result in any material impairment of its ability to perform any of its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract;

9.8 there are no actions, suits, proceedings, or investigations pending or, to the Subcontractor/ PRW's knowledge, threatened against it under the Applicable Laws or in equity before any court or before any other judicial, quasi-judicial or other authority, the outcome of which individually or in the aggregate may result in any material adverse effect on its business, properties or assets or its condition, financial or otherwise, or in any material impairment of its ability to perform any of its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract;

9.9 it has no knowledge of any violation or default with respect to any order, writ, injunction or decree of any court or any legally binding order of any Government or Government Instrumentalities which may result in any material adverse effect on its ability to perform its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract and no fact or circumstance exists which may give rise to such proceedings that would adversely affect the performance of its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract;

9.10 it has complied with the Applicable Laws in all material respects and has not been subject to any fines, penalties, injunctive relief or any other civil or criminal liabilities which in the aggregate have or may have a material adverse effect on its ability to perform its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract;

9.11 no representation or warranty by the Subcontractor/PRW contained herein or in any other document furnished by it to the Company or to any Government or Government Instrumentalities in relation to applicable permits, licenses or approvals contains or will contain any untrue statement of material fact or omits or will omit to state a material fact necessary to make such representation or warranty not misleading;

9.12 the Subcontractor/ PRW acknowledges that prior to entering in to this Work Order / Subcontract, the Subcontractor/PRW has, after a complete and careful examination, made an independent evaluation of the Work Order / Subcontract, the Scope of the Work, the Specifications and the Standards, the drawings, the Site, local conditions, physical properties/ characteristics of ground, subsoil and geology; traffic volumes and all information provided by the Company and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations, duties, responsibilities or liabilities hereunder. The Subcontractor/ PRW acknowledges and hereby accepts the risk of inadequacy, mistake or error in or relating to any of the matters set forth above and hereby acknowledges and agrees that the Company shall not be liable for the same in any manner whatsoever to the Subcontractor/ PRW or any person claiming through or under any of them .

In the event that any of the representations or warranties made/given by the Subcontractor/ PRW ceases to be true or stands changed, it shall be the responsibility of the Subcontractor/ PRW to promptly notify the Company of the same. The Subcontractor/ PRW shall indemnify and hold the Company harmless against and from the consequences of any such failure to notify the Company and any such failure shall constitute an event of default by the Subcontractor/ PRW and the consequences

thereunder shall be entirely to the account of the Subcontractor/ PRW.

10. THE SCOPE OF WORK

The Scope of Work shall be as more particularly described in the Letter of Intent or the Work Order or the Subcontract and shall include all ancillary, connected and incidental works whether explicitly stated or otherwise and shall mean during the Contract Period and Defect Liability Period:

10.1 Construction of all works set forth in the Work Order / Subcontract in conformity with the Specifications and Standards set forth in the Work Order / Subcontract fit for the purpose.

10.2 Performance and fulfillment of all other obligations, duties, responsibilities and liabilities of the Subcontractor/ PRW in accordance with the provisions of the Work Order / Subcontract and matters incidental thereto or necessary for the performance of any or all of the obligations, duties, responsibilities and liabilities of the Subcontractor/ PRW under the Work Order / Subcontract.

10.3 Execution of all works required to remedy the defects or damage, as may be notified by the Company on or before the expiry date of the Defects Notification Period for the Works.

11. SAFETY

The Subcontractor/ PRW shall:

(a) comply with all applicable safety regulations,

(b) take care for the safety of all persons entitled to be on the Site,

(c) use reasonable efforts to keep the Site and Works clear of unnecessary obstruction so as to avoid danger to these persons,

(d) provide fencing, lighting, guarding and watching of the Works until completion and taking over,

(e) provide any Temporary Works (including roadways, footways, guards and fences) which may be necessary, because of the execution of the Works, for the use and protection of the public and of owners and occupiers of adjacent land and

(f) strictly comply with the Company's manual and instructions for 'Safety, Health and Environment' more particularly as stipulated in the relevant Appendix .

12. ENVIRONMENTAL PROTECTION

In addition to the strict compliance of all the Applicable Laws and the Company's Manual and instructions for 'Safety, Health and Environment'; more particularly as stipulated in the relevant Appendix, the Subcontractor/ PRW shall ensure and take all required steps to protect the environment (both on and off the Site) and to limit damage and nuisance to people and property resulting from pollution, noise and other results of its operations.

The Subcontractor/ PRW shall ensure that emissions, surface discharges and effluent from the Subcontractor/ PRW's activities shall not exceed the values stated in the Specification or prescribed by the Applicable Laws.

13. HOUSEKEEPING

At all times during the execution of Works, the Sub contractor/ PRW shall, at its costs, keep the site reasonably free from all unnecessary obstruction and shall arrange storage of materials at site in orderly manner or dispose of any unwanted materials. On substantial completion of works and upon completion of works or earlier determination, the Subcontractor/ PRW shall, at its costs, clear away and remove from site all surplus materials, rubbish, debris etc. and leave the whole of the site and works clean to the complete satisfaction of the Company. If the Subcontractor/ PRW fails to remove the surplus materials, rubbish, debris etc., the Company shall engage additional manpower to clean the same and the amount so incurred shall, without prejudice to any other method of recovery, be deducted by the Company from any amount due or which may become due to the Subcontractor/ PRW or shall be recovered as a debt. For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

14. TESTING :

Testing of equipment, tools, tackles, materials, etc. or preparation of mock ups or trial patches etc. shall be performed by the Subcontractor/ PRW at its own costs as per instructions of and to the satisfaction of Company's Authorized Representative.

15. TAXES & DUTIES

15.1 Unless otherwise specified the Accepted Work Order Amount / Subcontract Amount shall be inclusive of all taxes, duties, levies, royalties, cess, octroi, service tax, etc. with breakup of all taxes, duties, levies, royalties, cess, octroi, service tax etc. made available.

15.2 The Subcontractor shall register itself, as a Registered Dealer under ST / Works Contract Tax Act and with other relevant authorities in the State where work is to be executed, prior to qualifying for bidding or within 30 (thirty) days of date of the Letter of Intent or the Work Order or the Subcontract and provide their registration numbers to the Company. Such registration shall remain valid until the expiry of Defects Liability Period. The Subcontractor shall submit copies of Quarterly tax return, duly certified by a qualified, competent and independent Chartered Accountant, showing certified amount billed by it to the Company during the Quarter under consideration as his turnover. The Subcontractor shall also submit other documents as necessary to enable the Company to claim this Turnover as allowable deduction. In case the Subcontractor/ PRW is unable to submit copies of Quarterly Tax Return and other documents as stated above, indirect tax liability arising due to such failure on the part of the Subcontractor including penalty charges, if any, shall be paid by the Subcontractor to the Company or shall without prejudice to any other method of recovery, be deducted by the Company from any amount due or which may become due to the Subcontractor or shall be recovered as a debt. For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

15.3 The Subcontractor/ PRW shall obtain Service Tax registration as required under section 69 of the Finance Act 1994 and also get himself registered with other relevant authorities in the State where work is to be executed, prior to qualifying for bidding or within 30 (thirty) days of the Letter of Intent or the Work Order or the Subcontract and provide their registration numbers to the Company. Such registration shall remain valid until the expiry of Defects Liability Period.

15.4 If the Subcontractor/ PRW does not have Service Tax number because of his / her taxable turnover being lower than threshold limits as specified in Service Tax Rule, 2005 (Registration of Special Category of Person), the same shall be mentioned on every invoice raised by the Subcontractor/ PRW along with aggregate value of taxable service till the date of last invoice issued in a Financial Year.

15.5 The Subcontractor/ PRW shall submit copies of quarterly / semiannual returns, ledger accounts and other documents required by the Company from time to time. In case the Subcontractor/ PRW fails to submit documents as stated above, indirect tax liability arising due to such failure on the part of the Subcontractor/ PRW including interest & penalty charges, if any, shall be paid by the Subcontractor/ PRW to the Company or shall without prejudice to any other method of recovery, be deducted by the Company from any amount due or which may become due to the Subcontractor/ PRW or shall be recovered as a debt. For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

15.6 All invoices of the Subcontractor/ PRW shall be in the form of Tax Invoices and shall be raised from the State in which the Site is located and taxes prevailing shall apply and following them shall be the responsibility and liability of the Subcontractor/ PRW. The Subcontractor/ PRW shall issue serially numbered Tax Invoice as required under the rule 4A of the Service Tax Rules 1994 within prescribed time indicating the name and address of Service Provider and



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Service Recipient, the Registration no. (PAN based STC No.) of the Subcontractor/ PRW, Description of Services, Category under which services are provided and details of service tax, Primary Education Cess & Secondary & Higher Education Cess separately.

15.7 The Subcontractor/ PRW is fully aware that the activity based service provided by him/her is pure service contract and the Company will have supervision right only for the quality control purpose and ultimate control over the work force/ Labours deployed for providing the service will always rest with Subcontractor/ PRW. The Subcontractor/ PRW is fully aware that Company is not liable to deposit service tax under Reverse charge Mechanism as provided under section 68(2) of The Finance Act, 1994, as services provided by the Subcontractor/ PRW are not Manpower Supply Service.

15.8 The Subcontractor/ PRW undertakes to comply with all applicable Tax Laws as in force from time to time and Company shall not be held responsible in any manner whatsoever for the Subcontractor/ PRW's non-compliance of various Tax Laws & Rules, being framed from time to time.

15.9 In case any statutory levies like labour cess, royalties, Works Contract Tax etc. are recovered by the Employer from Company's Bills on whole of the Contract Value of the Main Contract or in case such levies are paid by the Company on whole of the Contract Value of the Main Contract, proportionate recoveries shall be made by the Company from the Subcontractor/ PRW's invoices.

15.10 Income Tax shall be deducted as per the provisions of Income Tax Act, 1961 as applicable from time to time.

15.11 The Subcontractor/ PRW shall have its books of accounts audited by a qualified, competent and independent Chartered Accountant and submit certificate of audit from such independent Chartered Accountant. In addition the Company shall have the right to audit the books of accounts of the Subcontractor/ PRW.

16. LABOUR LAWS

The Subcontractor/ PRW shall comply with all the relevant labour Laws applicable to the Subcontractor/ PRW's personnel, staff, employees and labour including Laws relating to their on-site as well as off-site employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights. The Subcontractor/ PRW shall require its employees to obey all Applicable Laws, including those concerning safety at work. The Subcontractor/ PRW shall in relation to the labour employed by him, adhere to the provisions of the Industrial Disputes Act and rules and regulations made there under and such other Acts, as may be applicable.

The Subcontractor /PRW shall be liable for paying compensation for any claims arising out of accidents to his labour under the Indian Workmen's Compensation Act. The Company shall not be liable for reimbursement of medical expenses of the Subcontractor / PRW and / or his labour.

17. RATES OF WAGES AND CONDITIONS OF LABOUR AND STAFF

17.1 The Subcontractor / PRW shall be liable and responsible for payment of wages and observing conditions of labour and staff as per the Applicable Laws and Rules.

17.2 The Subcontractor/ PRW shall in the manner provided by Law, pay to every employee/ workman employed by him in connection with this Work Order/ Subcontract, wages at rate not less than the minimum rate of wages fixed by the appropriate Government, under the Minimum Wages Act, for the class of employees engaged in the works of similar to the one under the Work Order/ Subcontract.

17.3 Where the Minimum Wages are not fixed, the Subcontractor/ PRW shall pay to every employee/ workman wages at a rate not less than the fair wages, prescribed by the authorities concerned for this work or works of similar nature

in the areas in which this Work Order/ Subcontract is to be executed.

17.4 Where neither the Minimum Wages nor fair wages have been fixed, the Subcontractor/ PRW shall pay to every employee/ workman wages not less than those prevailing in the area for the respective category of employee/ workman, where this Work Order/ Subcontract is to be executed.

17.5 The Company shall not in any manner have any obligations, responsibilities or liabilities, whatsoever, towards any of the Subcontractor /PRW's Personnel, staff, employees or labour nor the Company shall entertain any claim from Subcontractor/ PRW in this regard.

18. SUBCONTRACTOR / PRW 'S SUPERINTENDENCE

Throughout the execution of the Works, and as long thereafter as is necessary to fulfill the Subcontractor/ PRW's obligations, the Subcontractor/ PRW shall provide all necessary Superintendence to plan, arrange, direct, execute, manage, inspect and test the work. Superintendence shall be given by sufficient number of persons having adequate knowledge of the operations to be carried out (including the methods and techniques required, the hazards likely to be encountered and methods of preventing accidents) for the satisfactory and safe execution of the Works.

19. SUBCONTRACTOR/PRW'S PERSONNEL

The Subcontractor/PRW's Personnel shall be appropriately qualified, skilled, competent, experienced and trained in their respective trades or occupations. Prior to posting Key Personnel, the Subcontractor/ PRW shall obtain approval or consent of the Main Contractor's Engineer. However, notwithstanding any such approval or consent by the Main Contractor's Engineer or failure to give approval or consent, the Subcontractor/ PRW shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Company shall not be liable for the same in any manner whatsoever.

The Main Contractor's Engineer may require the Subcontractor/PRW to remove (or cause to be removed) any person employed on the Site or Works, including the Subcontractor/ PRW's Representative, if applicable, who:

- (a) persists in any misconduct or lack of care
- (b) carries out duties incompetently or negligently
- (c) fails to conform with any provisions of the Work Order / Subcontract, or
- (d) persists in any conduct which is prejudicial to safety, health, or the protection of the environment.

If appropriate, the Subcontractor/ PRW shall; then appoint (or cause to be appointed) a suitable replacement person.

20. DELAY DAMAGES

The Subcontractor/ PRW shall complete the whole of the Works fit for the purpose and each Section/Milestone thereof within the stipulated Time for Completion of Works. If the Subcontractor/ PRW fails to complete the Works or each Section/Milestone thereof within the stipulated Time for Completion, the Subcontractor/PRW shall pay Delay Damages to the Company for this default at 0.75% of Accepted Subcontract Amount per week beyond stipulated Time for Completion subject to maximum of 10% of Accepted Subcontract Amount.

Delay Damages, without prejudice to any other method of recovery, be deducted by the Company from any amount due or which may become due to the Subcontractor/ PRW or shall be recovered as a debt. For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

21. JOINT MEASUREMENTS:

The Company's Authorized Representative in the presence of the Subcontractor/ PRW or his Authorized Representative shall take

measurements. All measurements shall be entered in a Measurement Book maintained by the Company at site and signed both by the Company's Authorized Representative and the Subcontractor/ PRW as a token of acceptance.

Measurements jointly taken and recorded as above shall be the sole, conclusive and final record for payments and payments shall be made accordingly in full and final settlement of the dues arising out of this Subcontract/ Work Order, inclusive of any interim payments which may be made to the Subcontractor/ PRW.

22. BILLING

The Subcontractor/ PRW shall submit monthly tax invoices to the Company on 5th of every month in triplicate together with detailed joint measurements, supporting documents and Reconciliation statement of materials, if any.

23. CASH RETENTION

Unless otherwise specified in the Letter of Intent or Work Order or Subcontract, an amount equivalent to 10% (ten percentage) of the gross value (including escalation payable, if any) of all invoices, running account bill / interim progress bill shall be deducted from all invoices / running account / interim progress bills towards Cash Retention.

The retention money so withheld shall be returned without interest to the Subcontractor/ PRW after completion of Defect Liability Period and Subcontractor/ PRW's fulfilling all its obligations, duties, responsibilities and liabilities under this Work Order / Subcontract and signing of 'No Claim Certificate' as per the format of the Company. In case of failure on the part of the Subcontractor/ PRW to remedy the defects, the Company reserves its right to utilize this retention amount for carrying out the rectification works or discharging obligations, duties, responsibilities or liabilities of the Subcontractor/ PRW and for this purpose the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

24. CROSS FALL BREACH AND SET OFF

The Subcontractor/ PRW shall be bound by the terms of this Work Order/ Subcontract as also any and all other Work Orders / Subcontract/ Agreements / Contracts with the Company. The breach or default by the Subcontractor/ PRW under any of the Work Orders / Subcontract/ Agreements / Contracts shall be a default under all the Work Orders / Subcontract/ Agreements / Contracts and the Company shall have the right to exercise all rights that it may be entitled to in the event of breach or default by the Subcontractor/ PRW under any and all the Work Orders / Subcontract/ Agreements / Contracts.. The Subcontractor/ PRW further agrees and confirms that, the Company shall at all times have the right to deduct or adjust or set off all or any monies from any due (s) payable to the Subcontractor/ PRW under this Work Order / Subcontract and/or under any other Work Orders / Subcontract/ Agreements / Contracts with the Subcontractor/ PRW or any of the account of the Subcontractor/ PRW or any of the Bank Guarantees (i.e. Performance or Advance or Retention or Security Deposit) of the Subcontractor/ PRW.

25. PAYMENT

Eligible payment will be released to the Subcontractor/ PRW by the Company within 15 (Fifteen) days after receiving corresponding payment from the Employer subject to any statutory and other deductions and monies owed by the Subcontractor/ PRW to the Company including recoveries against mobilization or plant advance, if any; interest on mobilization or plant advance, if any; cash retention, security deposit, deduction of monies due to the Company towards any plant, machinery, materials or services arranged by the Company on behalf of the Subcontractor/ PRW and damages/costs levied by the Company / the Employer, if any.

Notwithstanding any other provision contained herein to the contrary or otherwise, no payment shall be made to the Subcontractor/ PRW unless

corresponding payment has been received by the Company from the Employer.

Any Payment by the Company to the Subcontractor/ PRW shall be 'on Account' payment and no payment made by the Company hereunder shall be deemed to constitute acceptance by the Company of the Works or any part thereof.

The Company reserves its right to withhold payments due to the Subcontractor/ PRW, if the Subcontractor/ PRW has failed to perform in accordance with this Work Order / Subcontract and/or has failed to remedy the defects to the satisfaction of the Company.

The Final Payment shall be subject to the Taking Over Certificate for the Subcontract Works.

26. CLAIMS

Notice for Claims, if any, shall be served by the Subcontractor/ PRW to Authorized Signatory of the Company at its Registered office in Mumbai within 14 (Fourteen) days of the occurrence of the event in accordance with Clause 3. Claims, if any, shall be substantiated with supporting documents along with the statement which shall state the amount due and payable to the Subcontractor/ PRW under this Work Order / Subcontract.

If the Subcontractor/ PRW do not submit its claim(s) for whatsoever reason within the stipulated time as above to the Authorized Signatory at Registered Office, the same shall be deemed to be waived.

Notwithstanding any other provision contained herein to the contrary or otherwise, no claims of the Subcontractor/ PRW shall be admitted (nor deemed to be payable) unless the Employer admits and pays the corresponding claims of the Company.

Notwithstanding any other provision contained herein to the contrary or otherwise, the Subcontractor/ PRW shall not be paid any idling charges whatsoever under whatever nomenclature called.

27. TAKING OVER OF THE WORKS

Until the issuance of Taking Over Certificate for the entire Project or in part by the Employer, no sections or part thereof done by the Subcontractor/ PRW shall be deemed to be completed or deemed to be accepted or deemed to be taken over by the Company.

28. DEFECT LIABILITY PERIOD

28.1 Unless otherwise specified in the Letter of Intent / Work Order/ Subcontract, Defects Liability Period shall be 12 (twelve) months from the Date of Completion of Subcontract Works. The Subcontractor/ PRW, during such period, shall be liable for any defects in the material, equipment or workmanship and the removal, proper rectification / repair and replacement of the same as shall be necessary, notwithstanding any previous tests thereof, if in the opinion of the Company the same is not in accordance with the Work Order / Subcontract. The Subcontractor/ PRW shall carry out all the removal, repairs, rectification and replacement on this account at no extra cost to the Company whatsoever.

28.2 In the event the Subcontractor/ PRW does not remedy the defects within a reasonable time, the Company reserves its right to carry out such rectification either on its own or through any other party at the risk, cost and consequences of the Subcontractor/ PRW as well as recover all costs and losses from the Subcontractor/ PRW utilizing the retention money and/or invoking any or all Bank Guarantee (ies), (i.e. Performance or Advance or Retention or Security Deposit) and/or adjusting against any payments due to the Subcontractor/ PRW and/or by any other means as deemed fit and for this purpose the Company shall also have right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

29. NON-PERFORMANCE

In case the Subcontractor/ PRW does not commence the work or does not mobilize adequate resources, or does not progress satisfactorily, or does not make good shortfall in achievement of required progress or does not follow safe practices or does not protect the environment or does not maintain quality of work



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or neglects or does not comply with instructions, or do not make payments to their workmen and other creditors, or do not comply and observe statutory Laws of the place of work or in case of any other form or non-performance by the Subcontractor/ PRW, then the Company reserves its rights to take any or all of the following remedial measures (not necessarily in the same order) by serving 7 (Seven) day Notice; at the risk, cost and consequences of the Subcontractor/ PRW:

- a) Curtail or reduce the Scope Of Work
- b) Retain the Subcontractor/ PRW's Equipment and carry out the balance work in full or in part (including any rectification in work already executed by the Subcontractor/ PRW) either on its own or through any other party at the risk, cost and consequences of the Subcontractor/ PRW as well as recover all costs and losses from the Subcontractor/ PRW
- c) Confiscate Cash Retention money/ Security Deposit
- d) Invoke any or all Bank Guarantee (ies) (i.e. Performance or Advance or Retention or Security Deposit).
- e) Terminate the Work Order / Subcontract in accordance with Clause 31.
- f) Any other method as appropriate for due performance

For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

30. STEP IN RIGHTS OF THE COMPANY

Notwithstanding any other provision contained herein to the contrary or otherwise, the Company and the Subcontractor/ PRW agree that, the Company has the right and shall be entitled to step-in with respect to this Work Order / Subcontract, in its sole discretion, in substitution/ replacement of the Subcontractor/ PRW upon the occurrence or non-occurrence of an event, which in the opinion of the Company, would require such step-in, or in the event of any default by the Subcontractor/ PRW or breach of Representation and Warranties or Suspension or Termination of this Work Order / Subcontract. Furthermore, the Company shall have lien rights over the Subcontractor/ PRW's Documents, Equipment and materials.

Notwithstanding any other provision contained herein to the contrary or otherwise, the Company may enter upon the Site and complete the outstanding Works either on its own or through any other party at the risk, cost and consequences of the Subcontractor/ PRW as well as recover all costs and losses from the Subcontractor/ PRW. The Company may, to the exclusion of any right of the Subcontractor/PRW over the same, take over and use without any payment to the Subcontractor/ PRW any of the Subcontractor/ PRW's Equipment as may be available on the Site in connection with the Works for such period as the Company considers expedient for the execution and completion of the Works. Upon completion of the Works or at such earlier date as the Company deems appropriate, the Company shall inform the Subcontractor/ PRW that such Subcontractor/ PRW's Equipment will be returned to the Subcontractor/ PRW at the Site. In the event that, Subcontractor/ PRW's Equipment is hypothecated or under a lien of any kind, the Subcontractor/PRW confirms and undertakes to inform and get the prior approvals from its lender(s) with respect to the above provision.

For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

31. TERMINATION

Notwithstanding any other provision contained herein to the contrary or otherwise and without prejudice to any other rights and remedies available to the Company under the Work Order / Subcontract and the Applicable Laws, the Company shall be entitled to terminate the Work Order / Subcontract, if the Main Contract is terminated for any reason whatsoever by the

Employer or in case of breach of any of the Representation or Warranties or undertakings or obligations by the Subcontractor/ PRW or in the event of any default by the Subcontractor/ PRW. Upon Termination the Subcontractor/ PRW shall:

- (a) cease all further work, except for such work as the Company may specify for the sole purpose of protecting that part of the Works already executed, except those to be assigned to the Company
- (b) deliver to the Company, the parts of the Works executed by the Subcontractor/PRW up to the date of Termination.
- (c) assign to the Company, all right, title and benefit of the Subcontractor/PRW to the Works as at the date of Termination, and, as may be required by the Company;
- (d) deliver to the Company, all Subcontractor/ PRW's Documents including drawings, specifications and standards and other documents prepared by the Subcontractor/ PRW, if any as at the date of Termination;

No amount shall be due and payable to the Subcontractor/ PRW in the event of termination of the Work Order / Subcontract unless and until the Works as contemplated herein are completed in entirety, Taking Over Certificate for the entire Works have been issued and all payments finally due on any account to the Company and / or other contractor(s) engaged in respect of the outstanding Works have been finally paid and settled and the Company has been discharged from all liabilities in respect thereof. On completion of the outstanding Works by the Company and / or other contractor(s), the cost, expenses, charges (including damages paid to the Employer) incurred for completing such outstanding Works either itself or through other contractor(s), shall be determined and if the aggregate of:

i. The sum which is already paid to the Subcontractor/ PRW under this Work Order / Subcontract; plus the costs, expenses, charges (including damages paid to the Employer) subsequently incurred by the Company in completing the outstanding Works, either itself or through other contractor(s), exceeds the Subcontract Amount (corresponding to the certified work executed by the Subcontractor/ PRW till the date of termination as duly audited by the Auditor of the Company), then the Subcontractor/ PRW shall be liable for paying such excess amounts, which is over and above the Subcontract Amount (corresponding to the certified work executed by the Subcontractor/PRW till the date of termination as duly audited by the Auditor of the Company), to the Company. The Subcontractor/ PRW undertakes to pay such amounts within 30 (thirty) days of receipt of the demand notice issued by the Company.

ii. the sum which is already paid to the Subcontractor/ PRW under this Work Order / Subcontract plus the costs, expenses, charges (including damages paid to the Employer) subsequently incurred by the Company in completing the outstanding Works, either itself or through other contractor(s), equals the Subcontract Amount (corresponding to the certified work executed by the Subcontractor/ PRW till the date of termination as duly audited by the Auditor of the Company), then no payment shall be due and payable by either Party to the other.

iii. the sum which is already paid to the Subcontractor/ PRW under this Work Order / Subcontract; plus the costs, expenses, charges (including damages paid to the Employer) subsequently incurred by the Company in completing the outstanding Works, either itself or through other contractor(s), is less than the Subcontract Amount (corresponding to the certified work executed by the Subcontractor/ PRW till the date of termination as duly audited by the Auditor of the Company), then the Company shall pay such amount to the Subcontractor/ PRW within 30 (thirty) days of receipt of the demand notice issued by the Subcontractor/ PRW.

Notwithstanding any other provision contained herein to the contrary or otherwise and without prejudice to any other rights and remedies available to the Company under the Work Order / Subcontract and the Applicable Laws, no amount shall be due and payable to the Subcontractor/ PRW in case any of Subcontractor/ PRW's breach or default results in the termination of this Work Order / Subcontract and /or the Main Contract. The Subcontractor/ PRW undertakes that in the event of Termination of the Work Order / Subcontract, the Performance Security shall be kept valid and subsisting until the expiry of 60 (Sixty) days beyond the Defect Liability Period from the completion of the entire Works. For this purpose, the Company shall also have right to invoke Cross Fall Breach and Set Off provisions of Clause 24.

32. ESCALATION

Unless otherwise specified in the Letter of Intent or the Work Order or the Subcontract' the Accepted Subcontract Amount shall be firm till the completion of the Subcontract Works and shall not be subject to escalation of any kind whatsoever.

33. DISPUTE RESOLUTION

Amicable Settlement

In case of any difference or dispute, both Parties shall attempt to settle the difference or dispute amicably before the commencement of Arbitration.

Arbitration Except where otherwise provided for in the Work Order / Subcontract, all questions and disputes relating to the meaning of the specifications, designs, drawings and instructions herein before mentioned and as to the quality of workmanship or materials used on the work or as to any other question, claim, right, matter or thing whatsoever in any way arising out of or relating to the Contract, designs drawings, specifications, estimates, instructions, orders or these conditions of otherwise concerning the works, or the execution or failure to execute the same whether arising during the progress of the work or after the completion or abandonment thereof; after written notice by either Party to the Contract, shall be referred to the sole arbitration of a person bearing the designation of General Manager or equivalent (or higher designation) of Gammon India Limited to be appointed by the Chairman and Managing Director, Gammon India Limited.

If the person so appointed is unable or unwilling to act, as the sole arbitrator, some other person willing to act as such arbitrator shall be appointed by the Chairman and Managing Director, Gammon India Limited.

There will be no objection if the arbitrator so appointed is an employee of Gammon India Limited and that he had to deal with the matters to which the Work Order / Subcontract relates and that in the course of his duties with the matters as such he had expressed views on all or any of the matters in dispute or difference.

The arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason as aforesaid at the time of such transfer, vacation of office or inability to act, Chairman and Managing Director, Gammon India Limited shall appoint another person to act as arbitrator in accordance with the terms of the Contract. It is also a term of this Contract that no person other than a person appointed by Chairman and Managing Director, Gammon India Limited as aforesaid should act as arbitrator and if for any reason, that is not possible, the matter is not be referred to arbitration at all.

It is a term of the Work Order / Subcontract that the Party invoking arbitration shall specify the dispute or disputes to be referred to arbitration under this Clause together with the amount or amounts claimed in respect of each such dispute.

The arbitrator may from time to time with consent of the Parties enlarge the time, for making and publishing the award.

The work under the Work Order / Subcontract shall, if reasonably possible, continue during the arbitration proceedings.

The Arbitrator shall be deemed to have entered on the reference on the date he issues notice to both the Parties fixing the date of the first hearing. The Arbitrator shall give a separate award in respect of each difference or dispute referred to it.

The venue of arbitration shall be Mumbai.

The award of the arbitrator shall be final, conclusive and binding on all Parties to this Work Order / Subcontract.

The cost of arbitration shall be borne by the parties to the dispute, as may be decided by the arbitrator.

Subject as aforesaid, the provisions of the Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactment thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceeding under this Clause.

SECTION II

These General Conditions of Work Order shall be read in conjunction with the Special Conditions, if any and shall form an integral and binding part of the Work Order placed on the Subcontractor or Subcontract Agreement signed with the 'Subcontractor' by Gammon India Limited (hereinafter referred to as the Main Contractor or the Company) and collectively referred as Parties for the execution of the 'Subcontract Works'.

1. PRIORITY OF DOCUMENTS

The documents forming the Subcontract, listed in the Letter of Intent or the Work Order or the Subcontract are to be taken as mutually explanatory of one another unless otherwise provided in the Work Order or the Subcontract. For the purposes of interpretation, the priority of the documents shall be in accordance with the following sequence:

- 1.1 The Subcontract Agreement / The Work Order
- 1.2 The Letter of Intent issued by the Company, if any
- 1.3 The Special Conditions of Work Order / Subcontract, if any
- 1.4 These General Conditions of Work Order.
- 1.5 The Specifications of Subcontract (shall include Technical Specifications with respect to the Subcontract Works)
- 1.6 The Subcontract Drawings
- 1.7 The Priced Bill of Quantities
- 1.8 Any other document forming part of the Work Order / Subcontract
- 1.9 The Request for Qualification cum Proposal
- 1.10 The Letter of Proposal / Offer letter of the Subcontractor

If an ambiguity or discrepancy is found in the documents, the Main Contractor's Engineer shall issue any necessary clarification or instruction which shall prevail.

2. ASSIGNMENT BY THE COMPANY

The Company may, at any time, assign or transfer; or enter into an agreement to assign or transfer this Work Order / Subcontract (in full or in part) or any / all of the obligations, duties, responsibilities, liabilities, rights and benefits in or under the Subcontract to any person without obtaining prior consent of and/or without any prior intimation to the Subcontractor. It is hereby clarified that the Company may, as security in favour of bank or financial institution, assign its rights to any money due or to become due under the Subcontract. The Subcontractor hereby agrees and confirms to any Assignment of the Company of its rights and obligations to any third party(ies). The Subcontractor concurs and confirms and remains bound by any such Assignment by the Company.



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3. CONFIDENTIAL DETAILS

All matters related to this Work Order / Subcontract, the Works and all other documents shall be regarded by the Subcontractor as being highly confidential and shall not be disclosed to any party, person or entity. The Subcontractor shall at no time hereinafter use any technical information or intellectual property, in relation to this Subcontract and the Main Contract. The Subcontractor shall not have the right to advertise or otherwise permit the dissemination of publicity concerning this Subcontract. This Confidentiality obligation shall survive expiry or termination of this Work Order / Subcontract.

4. NO PRIVACY OF CONTRACT OF THE SUBCONTRACTOR WITH THE EMPLOYER

Nothing herein shall be construed as creating any privacy of contract between the Subcontractor and the Employer. If the Subcontractor commits any breach of the Work Order / Subcontract, he shall indemnify the Company against any damages for which the Company may become liable under the Main Contract as a result of such breaches. In such an event, the Company shall, without prejudice to any other method of recovery, recover such damages from any amount due or which may become due to the Subcontractor or shall be recovered as a debt. For this purpose the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24 of Section I.

5. PRINCIPAL TO PRINCIPAL

It is agreed and understood that, as between the Main Contractor and the Subcontractor, the legal relationship is strictly on a principal to principal basis. Nothing is deemed to constitute or imply any other legal relationship such as principal-agent, master-servant or otherwise. It is expressly agreed that there shall be no principal-agent, master-servant or any other relationship between the Main Contractor and the Subcontractor under this Work Order/ Subcontract and no representation to any such effect would be made by the Subcontractor to anyone.

The Subcontractor shall indemnify the Main Contractor against any claims, expenses, liabilities and losses and for any third party claims regarding and/or arising under or in connection with the relationship and/or misrepresentation thereby by the Subcontractor.

6. SUBCONTRACTOR'S GENERAL OBLIGATIONS

The Subcontractor's general obligations, duties, responsibilities and liabilities shall include, but not limited to, the following:

6.1 The Subcontractor shall comply with all Applicable Laws in the performance of its obligations, duties, responsibilities and liabilities under this Work Order / Subcontract.

6.2 The Subcontractor shall comply with all applicable permits, licenses and approvals in accordance with Applicable Laws in the performance of its obligations, duties, responsibilities or liabilities under this Work Order / Subcontract. The Subcontractor shall make or cause to be made, necessary applications to the relevant Government and other Government Instrumentalities with such particulars and details, as may be required for obtaining all applicable permits, licenses or approvals under this Work Order / Subcontract and obtain and keep in force and effect all such applicable permits, licenses or approvals in conformity with the Applicable Laws. The Subcontractor shall, not later than 30 (thirty) days from the date of the Work Order or date of execution of the Subcontract, obtain all such applicable permits, licenses or approvals of this Work Order / Subcontract unconditionally or if subject to conditions then all such conditions shall have been satisfied in full and such applicable permits, licenses or approvals shall be kept in full force and effect for the relevant

period during the subsistence of this Work Order / Subcontract.

6.3 The Subcontractor shall be solely responsible and undertakes the obligation to ensure all statutory and legal compliances (including but not limited to obligations under all the labour and industrial Laws). Notwithstanding any other provision contained herein to the contrary or otherwise, all statutory and legal compliances shall be sole responsibility and obligation as well as liability of the Subcontractor.

6.4 In the event of any failure of the Subcontractor as regards any of the statutory or legal compliances, the Subcontractor shall indemnify and hold the Company harmless against and from the consequences of any such failure and any such failure shall constitute an event of default by the Subcontractor and the consequences thereunder shall be entirely to the account of the Subcontractor.

6.5 The Subcontractor after receiving possession of the site or part thereof, ensure that such site remains free from all encroachments and take all steps necessary to remove encroachments, if any.

6.6 The Subcontractor shall be fully responsible for the security and presence on or around or entry in or around the project site or any other interference with or affecting the project site or the execution of the Works by or caused by any protestor or trespasser or for the act, omission, or default of any such person during the contract period for the land handed over to the Subcontractor. Any such interference shall not be a breach of the obligations of the Company to provide access to the Project Site.

6.7 The Subcontractor shall give prompt prior notice to the Company of any error, omission, fault or other defect in the design of or the Specification for the Subcontract Works which it may discover when reviewing the Work Order / Subcontract and/or the Main Contract or executing the Subcontract Works.

6.8 If the Work Order / Subcontract specify that the Subcontractor shall design whole or any part of the Permanent Works or Temporary Works, then unless otherwise stated in the Subcontract:

(a) the Subcontractor shall carry out such design himself or through an outsourced agency in which case such outsourced agency shall be from out of the Panel of Agencies approved by the Company. However, notwithstanding selection of the outsourced agency from out of the above Panel, the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order/ Subcontract and that the Company shall not be liable for the same in any manner whatsoever. Further the Subcontractor shall be responsible for the acts, defaults, omissions, and neglects of any of its outsourced agencies fully and to the extent as if they were the acts, defaults, omissions, or neglects of the Subcontractor itself.

(b) the Subcontractor shall submit (in editable soft copies and required number of hard copies) the Subcontractor's Documents, to the Main Contractor's Engineer, in accordance with the procedures specified in the Work Order / Subcontract;

(c) these Subcontractor's Documents shall be in accordance with the Specification and Drawings, and shall include additional information required by the Main Contractor's Engineer to add to the Drawings for co-ordination of each Party's designs;

(d) the Subcontractor shall be fully and solely responsible for this design and it shall, when the Works are completed, be fit for such purposes for which the same is intended as are specified in the Work Order / Subcontract; and

(e) prior to the commencement of the Tests on Completion, the Subcontractor shall submit (in editable soft copies and required number of hard copies) the 'as-built' documents to the Main Contractor's Engineer and, if applicable, operation and maintenance manuals in accordance with the Specification and in sufficient detail for the Employer to operate,

maintain, dismantle, reassemble, adjust and repair this part of the Works. Such part shall not be considered to be completed for the purposes of taking-over until these documents and manuals have been submitted to the Main Contractor's Engineer. However, notwithstanding submission of the above documents by the Subcontractor or any review and comments/observations by the Main Contractor's Engineer or failure of the Main Contractor's Engineer to review or provide comments/observations thereon; the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Company shall not be liable for the same in any manner whatsoever.

6.9 The Subcontractor shall prepare and submit (in editable soft copies and required number of hard copies) resource based Network Program (Primavera) together with Resource Schedules for procurement and delivery of Subcontractor's Documents, Subcontractor's Equipment, materials and Subcontractor's Personnel in conformity with the Work Order / Subcontract together with other documents including construction methodology for construction and commissioning of the Project within the Contract Period.

6.10 The Subcontractor shall submit (in editable soft copies and required number of hard copies) details of the arrangements and methods which the Subcontractor proposes to adopt for the execution of the Works. No significant alteration to these arrangements and methods shall be made without this having previously been notified to the Main Contractor's Engineer. However, notwithstanding submission or notification of such details of the arrangements and methods by the Subcontractor or any review and comments/observations by the Main Contractor's Engineer or failure of the Main Contractor's Engineer to review or provide comments/observations thereon; the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Company shall not be liable for the same in any manner whatsoever.

6.11 The Subcontractor shall be responsible for the adequacy, stability and safety of design (to the extent specified), all methods of construction and all Site operations. The Subcontractor shall be responsible for all Subcontractor's Documents, Subcontractor's Equipment, Temporary Works, and such design of each item as is required for the item to be in accordance with the Work Order / Subcontract.

6.12 The Subcontractor shall, with due care and diligence, design (to the extent specified in the Work Order / Subcontract), execute and complete the Works fit for the purpose in accordance with the Work Order / Subcontract and with the Main Contractor's Engineer's instructions and shall remedy any defects in the Works. The Subcontractor shall execute the Subcontract Works as per the terms and conditions of the Work Order/ Subcontract, the Drawings, the Bill of Quantities, the Specifications and workmanship as per requirements of the Work Order/ Subcontract. Any modifications / additions/ changes necessary as per the opinion of the Main Contractor's Engineer and/or the Specifications shall be conveyed to the Subcontractor in writing and the same shall be adhered to by the Subcontractor. The Subcontractor shall not make any changes, whatsoever, unless instructed/ permitted in writing by the Company save and except changes necessary to correct errors or omissions.

6.13 The Subcontractor may take up the execution of the Works itself or be entitled, in turn, to engage its subcontractors to undertake the execution of the Works; subject to aggregate sum of all such subcontracted works by it shall not exceed 25% (Twenty Five Percent) of the Accepted Subcontract Amount. For the purpose of this Clause subcontracting will not include

(i) provision of workmen/labour,
(ii) purchase of materials and
(iii) Transportation of Materials.

Provided that, appointment of any such subcontractor or supplier shall be only with the prior written consent of the Main Contractor's Engineer. The Subcontractor shall submit to the Company particulars of its subcontractors or suppliers it proposes to employ and the extent of each subcontractor/supplier's gross order value to enable the Main Contractor's Engineer to provide his approval or consent or otherwise. Subcontracting of Works in excess of the above specified limit at any stage of the Project or not obtaining prior written approval or consent from the Main Contractor's Engineer shall constitute breach of the Agreement by the Subcontractor under the provisions of this Work Order / Subcontract. However, notwithstanding any such submission of the above particulars by the Subcontractor or any approval or consent or disapproval by the Main Contractor's Engineer or failure of the Main Contractor's Engineer to approve or give consent or otherwise, the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Subcontract and that the Company shall not be liable for the same in any manner whatsoever. Further the Subcontractor shall be responsible for the acts, defaults, omissions, and neglects of any of its subcontractor or supplier, their agents, or workmen, fully and to the extent as if they were the acts, defaults, omissions, or neglects of the Subcontractor itself.

6.14 The Subcontractor shall provide all Superintendence, Subcontractor's Documents, Subcontractor's Equipment, Subcontractor's Personnel, materials, goods, consumables and other things and services, whether of a temporary or permanent nature, required in and for this design (to the extent specified in the Subcontract), execution, completion fit for the purpose and the remedying of any defects.

6.15 Notwithstanding the submission of list of resources proposed to be deployed by the Subcontractor, the Subcontractor shall from time to time, bring additional resources as required at site to achieve desired rate of progress as also augment resources, from time to time, to make good shortfall in progress, if any without any additional costs to the Company.

6.16 Any and all materials issued by the Company, if any, to the Subcontractor shall be deemed to be in the possession and custody of the Subcontractor upon presentation of Material Issue Note to the Subcontractor.

6.17 The Subcontractor shall ensure that all materials issued by the Company, if any shall be secured and so stored as to ensure the preservation of the quality and fitness for the Works. The Subcontractor shall confirm to all applicable national and local safety and other codes.

6.18 Any and all materials issued by the Company, if any to the Subcontractor shall be used by the Subcontractor only for the purpose of and with respect to the Works for which they are intended and for no other purpose.

6.19 The Subcontractor shall ensure that Plant or Equipment issued by the Company, if any shall be used with due care and after such use promptly returned to the Company in working condition.

6.20 The Subcontractor shall disclose all information including confidential information as may be reasonably required in order to verify compliance with the Work Order / Subcontract and allow its proper implementation.

6.21 The Subcontractor shall not be entitled to assign this Work Order / Subcontract or the rights, benefits and obligations hereunder save and except with prior written consent of the Company.

6.22 The Subcontractor shall, in the event of termination of the Work Order / Subcontract during the Contract Period, handover the project site in the form required by the Company and/or the Employer.



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If required under the Main Contract and/or the Tender document, the Subcontractor shall ensure, provide and comply with any and all obligations, and additional warranties, guarantees and all other requirements thereunder.

7. PERFORMANCE BANK GUARANTEE

7.1 The Subcontractor shall submit, within 7 (Seven) days from date of Letter of Intent (LOI), a Contract Performance Bank Guarantee as 'Performance Security' for the due performance of the Subcontract for an amount equivalent to 10% (ten percent) of the Accepted Subcontract Amount, with an initial validity up to sixty (60) days beyond the end of Defect Liability Period. In case of delay in completion of Works, the validity of Contract Performance Bank Guarantee shall be extended for such periods as may be required and notified by the Company.

7.2 The Contract Performance Bank Guarantee shall be in the form of an unconditional and irrevocable Bank Guarantee in the format provided by the Company. The Contract Performance Bank Guarantee shall be from a nationalized bank acceptable to the Company.

7.3 Without prejudice to any other rights and remedies available to the Company under the Work Order / Subcontract and the Applicable Laws, the Company shall have the rights to encash the said Contract Performance Bank Guarantee any time during the period of its validity on demand, without demur, contestation or protest by the Subcontractor and without assigning any reason. For this purpose, the Company shall also have the right to invoke Cross Fall Breach and Set Off provisions of Clause 24 of Section 1.

8 SUFFICIENCY OF THE ACCEPTED SUBCONTRACT AMOUNT

The Accepted Subcontract Amount shall cover all the obligations, duties, responsibilities or liabilities of the Subcontractor under the Work Order / Subcontract and all the things (including all incidental and connected things whether explicitly mentioned or otherwise) necessary for the proper execution and completion of the Works fit for the purpose and the remedying of any defects.

The Subcontractor shall be deemed to have satisfied itself as to the correctness and sufficiency of the Accepted Subcontract Amount and deemed to have based the Accepted Subcontract Amount on the data, interpretations, necessary information, inspections, examinations and satisfaction as to all relevant matters.

9. SUBCONTRACTOR'S EQUIPMENT

The Subcontractor shall be responsible for all Subcontractor's Equipment. When brought on to the Site, Subcontractor's Equipment shall not be more than (3) years in age, shall be complete in all respects with all accessories and necessary spares and shall be in good working condition. The Subcontractor shall maintain adequate inventory of spares at site all the time. When brought on to the Site, Subcontractor's Equipment shall be deemed to be exclusively intended for the execution of the Subcontract Works. The Subcontractor shall not remove from the Site any item of Subcontractor's Equipment without the written consent of the Main Contractor's Engineer. However, no such consent shall be required for vehicles transporting Goods or Subcontractor's Personnel off Site.

10. QUALITY ASSURANCE

The Subcontractor shall institute a Quality Assurance System to demonstrate compliance with the requirements of the Work Order / Subcontract. The System shall be in accordance with the details stated in the Work Order / Subcontract. The Main Contractor's Engineer/ the Consultant/ the Employer shall be entitled to audit any aspect of the System. Details of all procedures and compliance documents shall be submitted to the Main Contractor's Engineer before each design and execution stage is

commenced. When any document of a technical nature is issued to the Main Contractor's Engineer, evidence of the prior approval by the Subcontractor itself shall be apparent on the document itself. However, notwithstanding submission of the above documents by the Subcontractor or any review and comments/observations by the Main Contractor's Engineer or failure of the Main Contractor's Engineer to review or provide comments/observations thereon; the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Company shall not be liable for the same in any manner whatsoever.

11. APPROVAL OF MAIN CONTRACTOR/ CONSULTANT/ THE EMPLOYER

All Subcontractor's Documents, Subcontractor's Equipment, materials and services to be incorporated in or required for the Works and all Subcontract Works executed by the Subcontractor and its workmanship shall be subject to the approval of the Main Contractor/ the Consultant/ the Employer. However, notwithstanding such approval by the Main Contractor/ the Consultant/ the Employer; the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Main Contractor shall not be liable for the same in any manner whatsoever.

12. TIME FOR COMPLETION

Time shall be of the Essence of this Work Order / Subcontract.

The Subcontractor shall commence the execution of the Works within 7 (Seven) days of date of Letter of Intent or the Work Order or the Subcontract and shall proceed with the Works with due expedition and without any delay.

The Subcontractor shall complete the whole of the Works fit for the purpose and each Section/Milestone thereof, if any, within the Time for Completion specified for the Works or Section/Milestone thereof, as the case may be, including:

- Achieving the passing of the Tests on Completion, and
 - Completing all work which is stated in the Work Order / Subcontract as being required for the Works or Section/Milestone thereof to be considered to be completed for the purposes of taking-over
- The Subcontractor shall submit (in editable soft copies and required number of hard copies) to the Main Contractor's Engineer, within 14 (Fourteen) days from the date of Letter of Intent, a detailed Work Programme including Construction Methodology and other documents. The Subcontractor shall also submit a revised Work Programme, whenever the previous Programme is rendered inconsistent with actual progress or with the Subcontractor's obligations. However, submission of such revised Programme shall not relieve or absolve the Subcontractor of any of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract.

The Works Programme shall include:

- A resource based detailed CPM/PERT Network Programme in Primavera;
 - showing the Critical Path and quantities of major work items to be performed each month/week
 - the Programme shall not be unbalanced and shall be based on the achievement of outputs calculated and demonstrated in the method statement to be submitted by the Subcontractor.
 - Resource Schedules for procurement and delivery of Subcontractor's Documents,

Subcontractor's Equipment, materials and Subcontractor's Personnel in conformity with the Work Order / Subcontract

(ii) Construction Methodology

(iii) An 'S' curve illustrating anticipated monthly and cumulative billing for achieving the Completion of the Project and each Section/Milestone thereof as per Scheduled Project Completion Date and on which the actual cumulative progress shall be superimposed

(iv) A Quality Assurance Plan (QAP) covering all aspects of the work to be adopted for this Works for effective assurance, control and management of Quality in conformity with the Specifications

(v) An Environmental Management Plan;

(vi) A Safety Management Programme including an Emergency Response Protocol

(vii) A Traffic Diversion & Management Plan, if applicable

(viii) The sequence of all Tests on Completion specified in the Subcontract.

The Main Contractor's Engineer shall, within 14 (Fourteen) days of the receipt of the Work Programme, review the same and convey its comments/observations to the Subcontractor with a particular reference to the conformity or otherwise with the requirements under the Work Order / Subcontract. However, notwithstanding any review and comments/observations by the Main Contractor's Engineer on the above documents or failure of the Main Contractor's Engineer to review or provide comments/observations thereon, the Subcontractor shall remain solely responsible for and shall not be relieved or absolved in any manner whatsoever of its obligations, duties, responsibilities or liabilities under the Work Order / Subcontract and that the Main Contractor shall not be liable for the same in any manner whatsoever.

13. EXTENSION OF TIME FOR COMPLETION

13.1 In the event of any delay, the Subcontractor shall at all times ensure that:

- it uses and continues to use all reasonable endeavors to avoid or reduce the effect of any delay on the completion of the Works or a Section/Milestone thereof (as the case may be) where Milestone completion dates are stipulated.
- subcontractor or vendor appointed by it shall re-programme or adjust their performance for subcontracted works or services and take measures to avoid or reduce the effect of any delay on the completion of Works or a Section/Milestone thereof (as the case may be) where Milestone completion dates are stipulated.

13.2 The Subcontractor shall not be entitled to an extension of time in respect of any cause of delay nor for any period of delay, which by the exercise of all reasonable endeavours could be avoided or reduced (to the extent that such could have been reduced). The onus of proving that the Subcontractor has exercised all reasonable endeavours, and that despite such endeavours, the delay could not be avoided or reduced, shall in all cases rest with the Subcontractor in this respect.

13.3 No extension of time shall be granted to the Subcontractor except in the following events:

- the Contractor is not being given possession of the Project Site or any part thereof in accordance with requirement and necessity of such Project Site or any part thereof
- the delay has been caused for a reason attributable to the Employer
- conditions constituting Force Majeure Events; except where such delays are due to any act,

omission, negligence, default, or breach of the Subcontractor itself or any of its subcontractor or supplier or any of their servants or agents

(d) a Variation is instructed (provided such variation is not capable of execution as simultaneous/parallel activity) except where such Variation is necessitated as a consequence of any default or breach of the Agreement by the Subcontractor.

13.4 Any extension of time shall be at the discretion of the Company and subject to invocation and continuation of any or all of the contractual or legal rights of the Company.

13.5 Notwithstanding any other provision contained herein to the contrary or otherwise, no extension of time shall be granted (nor deemed to be granted) unless the Main Contractor receives corresponding extension of time from the Employer.

13.6 Time shall continue to be of the Essence of the Subcontract also to any such extension granted by the Company.

14. INSURANCE

The Subcontractor shall insure the Works, Subcontractor's Equipment, Materials and Subcontractor's Documents for not less than the full reinstatement cost including the costs of demolition, removal of debris and professional fees and profit. This insurance shall be effective from the date on which work is proposed to be commenced at site until the date of issue of the Performance Certificate for the Works to provide cover for loss or damage for which the Subcontractor is liable arising from a cause occurring prior to the issue of the Performance Certificate and for loss or damage caused by the Subcontractor in the course of any other operations including under Defects Liability. The Subcontractor shall insure the Subcontractor's Equipment for not less than the full replacement value, including delivery to Site. For each item of the Subcontractor's Equipment, the insurance shall be effective while it is being transported to the Site and until it is no longer required as the Subcontractor's Equipment. The Subcontractor shall effect and maintain insurance against liability for claims, damages, losses and expenses (including legal fees and expenses) arising from injury, sickness, disease or death of any person employed by the Subcontractor or any other of the Subcontractor's Personnel.

The insurance shall be maintained in full force and effect during the whole time that these personnel are assisting in the execution of the Works.

15. FORCE MAJEURE

In this Clause, 'Force Majeure' means an exceptional event or circumstance:

- which is beyond a Party's control,
- which such Party could not reasonably have provided against before entering into the Contract,
- which, having arisen, such Party could not reasonably have avoided or overcome, and
- which is not substantially attributable to the other Party.

Force Majeure may include, but is not limited to, exceptional events or circumstances of the kind listed below, so long as conditions (a) to (d) above are satisfied:

- war, hostilities (whether war be declared or not), invasion, act of foreign enemies,
- rebellion, terrorism, sabotage by persons other than the Subcontractor's Personnel, revolution, insurrection, military or usurped power, or civil war,
- riot, commotion, disorder, strike or lockout by persons other than the Subcontractor's Personnel,
- munitions of war, explosive materials, ionising radiation or contamination by radio-activity, except as may be attributable to the Subcontractor's use



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of such munitions, explosives, radiation or radio-activity, and

- (v) natural catastrophes such as earthquake, hurricane, typhoon or volcanic activity.

If a Party is or will be prevented from performing its substantial obligations under the Work Order /Subcontract by Force Majeure, then it shall give notice to the other Party of the event or circumstances constituting the Force Majeure and shall specify the obligations, the performance of which is or will be prevented. The notice shall be given within 14 (Fourteen) days after the Party became aware, or should have become aware, of the relevant event or circumstance constituting Force Majeure.

Each Party shall at all times use all reasonable endeavours to minimise any delay in the performance of the Contract as a result of Force Majeure.

A Party shall give notice to the other Party when it ceases to be affected by the Force Majeure.

SECTION III

These General Conditions of Work Order shall be read in conjunction with the Special Conditions, if any and shall form an integral and binding part of the Work Order placed on the Piece Rate Worker (PRW) by Gammon India Limited (hereinafter referred to as the Main Contractor or the Company) and collectively referred as Parties for the execution of the Works awarded to the PRW.

1. PRW'S GENERAL OBLIGATIONS

The PRW's general obligations, duties, responsibilities and liabilities shall include, but not limited to, the following:

1.1 The PRW shall comply with all Applicable Laws in the performance of its obligations, duties, responsibilities and liabilities under this Work Order.

1.2 The PRW shall comply with all applicable permits, licenses and approvals in accordance with Applicable Laws in the performance of its obligations, duties, responsibilities or liabilities under this Work Order. The PRW shall make or cause to be made, necessary applications to the relevant Government and other Government Instrumentalities with such particulars and details, as may be required for obtaining all applicable permits, licenses or approvals under this Work Order and obtain and keep in force and effect all such applicable permits, licenses or approvals in conformity with the Applicable Laws. The PRW shall, not later than 30 (thirty) days from the date of the Work Order, obtain all such applicable permits, licenses or approvals of this Work Order unconditionally or if subject to conditions then all such conditions shall have been satisfied in full and such applicable permits, licenses or approvals shall be kept in full force and effect for the relevant period during the subsistence of this Work Order.

1.3 The PRW shall be solely responsible and undertakes the obligation to ensure all statutory and legal compliances (including but not limited to obligations under all the labour and industrial Laws). Notwithstanding any other provision contained herein to the contrary or otherwise, all statutory and legal compliances shall be sole responsibility and obligation as well as liability of the PRW.

1.4 In the event of any failure of the PRW as regards any of the statutory or legal compliances, the PRW shall indemnify and hold the Company harmless against and from the consequences of any such failure and any such failure shall constitute an event of default by the

PRW and the consequences thereunder shall be entirely to the account of the PRW.

1.5 The PRW after receiving possession of the site or part thereof, ensure that such site remains free from all encroachments and take all steps necessary to remove encroachments, if any.

1.6 The PRW shall be fully responsible for the security and presence on or around or entry in or around the project site or any other interference with or affecting the project site or the execution of the Works by or caused by any protestor or trespasser or for the act, omission, or default of any such person during the contract period for the land handed over to the PRW. Any such interference shall not be a breach of the obligations of the Company to provide access to the Project Site.

1.7 The PRW shall, with due care and diligence, execute and complete the Works fit for the purpose in accordance with the Work Order and with the Main Contractor's Engineer's instructions and shall remedy any defects in the Works. The PRW shall execute the Subcontract Works as per the terms and conditions of the Work Order, the Drawings, the Bill of Quantities, the Specifications and workmanship as per requirements of the Work Order. Any modifications / additions/ changes necessary as per the opinion of the Main Contractor's Engineer and/or the Specifications shall be conveyed to the PRW in writing and the same shall be adhered to by the PRW. The PRW shall not make any changes, whatsoever, unless instructed/ permitted in writing by the Company save and except changes necessary to correct errors or omissions.

1.8 Notwithstanding the submission of list of resources proposed to be deployed by the PRW, the PRW shall from time to time, bring additional resources as required at site to achieve desired rate of progress as also augment resources, from time to time, to make good shortfall in progress, if any without any additional costs to the Company.

1.9 Any and all materials issued by the Company, if any, to the PRW shall be deemed to be in the possession and custody of the PRW upon presentation of Material Issue Note to the PRW.

1.10 The PRW shall ensure that all materials issued by the Company, if any shall be secured and so stored as to ensure the preservation of the quality and fitness for the Works. The PRW shall confirm to all applicable national and local safety and other codes.

1.11 Any and all materials issued by the Company, if any to the PRW shall be used by the PRW only for the purpose of and with respect to the Works for which they are intended and for no other purpose.

1.12 The PRW shall ensure that Plant or Equipment issued by the Company, if any shall be used with due care and after such use promptly returned to the Company in working condition.

1.13 The PRW shall disclose all information including confidential information as may be reasonably required in order to verify compliance with the Work Order and allow its proper implementation.

1.14 The PRW shall, in the event of termination of the Work Order during the Contract Period, handover the project site in the form required by the Company and/or the Employer.

If required under the Main Contract and/or the Tender document, the PRW shall ensure, provide and comply with any and all obligations, and additional warranties, guarantees and all other requirements thereunder.

2. WORKMANSHIP

All work shall be in accordance with the requirements of the Company's Authorized Representative and of Client's Engineer/ Consultant/ Architect and of first class workmanship. No payment shall be made in respect of work not accepted by the Company's Authorized Representative in charge of the work even if client has admitted the payment for such works.

3. TIME FOR COMPLETION

The work shall be completed by the date specified in the Work Order. Further at least 20 % of the Physical work must be completed in 25% of the time allowed and at least 50 % of physical work shall be completed within 50% of time allowed.

The time shall be essence of this Work Order and PRW shall observe strict adherence of time for completion of Works and each milestone thereof.

4. ESTIMATED QUANTITIES:

The quantities shown in the Work Order are estimates only and are not guaranteed and may be increased or decreased by the Company and the PRW shall be entitled only to payment for the amount of work actually executed by the PRW / Certified by the Employer / the Company at the rates accepted in this Work Order and not to any compensation or other payments in respect of such variation in quantities.

5. APPEAL TO COMPANY'S AUTHORIZED SIGNATORY

If the PRW is not satisfied with any instructions or decisions on the part of the Company's Authorized Representative in charge of the Work, he may appeal to the Company's Authorized Signatory at Registered Office whose decision shall be final and binding.

SECTION IV

These General Conditions of Equipment Hire shall be read in conjunction with the Special Conditions, if any and shall form an integral and binding part of the Work Order placed on the Hiring Agency by Gammon India Limited (hereinafter referred to as the Main Contractor or the Company) and collectively referred as Parties for providing Equipment on hire (the Equipment).

1. GOVERNING LAWS

The Work Order shall be governed by the Laws of India and courts in Mumbai shall have exclusive jurisdiction over all matters arising out of or relating to this Work Order.

Notwithstanding the place where the Work Order is signed or where the work under the Work Order is to be executed, it is mutually understood and agreed by and between the Parties hereto, that this Work Order shall be deemed to have been entered into by the Parties concerned in the City of Mumbai

2. INDEMNITY

The Hiring Agency hereby indemnifies and keeps indemnified and hold harmless the Company against and from all claims, actions, suits, demands, liabilities, charges, and any / all proceedings and any/ all losses or damages or cost or expenses (including legal fees and expenses) including third party claims that may be suffered, incurred or expected to be so suffered or incurred by the Company on account of anything done or omitted to be done by the Hiring Agency in connection with this Work Order or any part thereof, the Works and

performance of its obligations, duties, responsibilities or liabilities under this Work Order or otherwise.

3. EXCLUSIONS

The Hiring Agency has clearly understood that the terms and conditions herein contained, has been negotiated by and entered into on behalf of the Company and the Hiring Agency understands and accepts that the Chairman and the Managing Director of the Company, or any Director(s) of the Company or the Chief Operating Officer of the Company has no part to play in the negotiations and execution of these presents and accordingly is not liable at all in contract, tort or crime in respect of this Work Order or any acts pertaining thereto including prior to its execution. The Hiring Agency accordingly undertakes that under no circumstances shall he/it sue and/or prosecute the Chairman and the Managing Director of the Company any Director(s) of the Company, the Chief Operating Officer of the Company in respect of the breach of any terms and conditions herein or in respect of any acts, deeds or statements that preceded this Contract and pertaining to it.

4. CONFIDENTIALITY

All matters related to this Agreement, the Project and all other documents given to the Hiring Agency shall be regarded by it as being highly confidential, and shall not be disclosed to any party, person or entity. The Hiring Agency shall at no time hereinafter use any technical information or intellectual property, in relation to this Agreement and the Main Contract. It shall not have the right to advertise, or otherwise permit, the dissemination of publicity concerning this Agreement. This Confidentiality obligation shall survive expiry or termination of this Agreement.

5. REPRESENTATIONS AND WARRANTIES

The Hiring Agency represents, warrants and confirms to the Company that:

5.1 it has understood the requirements and application of the Company and accordingly offering a suitable Equipment on hire for specified and intended purpose and confirms that it is fit for the purpose specified and intended by the Company and it confirms that in case the Hired Equipment is not up to the standard required by the Company or not fit for the purpose specified and intended by the Company, the same shall be replaced forthwith without any additional costs to the Company.

5.2 it has the adequate technical knowledge and skill, financial capability and organizational strength, skilled manpower and ability to perform the agreed Scope of Work within the time frame duly meeting quality, safety and environment norms stipulated by the Company.

5.3 it shall adhere to all the statutory requirements including laws and rules relating to safety and environment applicable while performing its Scope of Work and agrees that failure or default in compliance with the aforesaid requirements, if any, shall be treated as breach of the Agreement.

5.4 it hereby indemnifies the Company of any matter related to non-compliance of statutory requirements and that the onus shall solely rest with it to resolve any such issues directly with the regulatory authorities without any recourse to the Company.

5.5 it shall conduct the periodic testing and recalibration of the Equipment as per the original Equipment Manufacturer's instructions.



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5.6 it is agreed and understood that, as between the Company and the Hiring Agency the legal relationship is strictly on a principal to principal basis. Nothing is deemed to constitute or imply any other legal relationship such as principal-agent, master-servant, or otherwise. It is expressly agreed that there shall be no principal-agent, master-servant or any other relationship between the Company and the Hiring Agency under this Work Order and no representation to any such effect would be made by the Hiring Agency to anyone.

In the event that any of the representations or warranties made/given by the Hiring Agency ceases to be true or stands changed, it shall be the responsibility of the Hiring Agency to promptly notify the Company of the same. The Hiring Agency shall indemnify and hold the Company harmless against and from the consequences of any such failure to notify the Company and any such failure shall constitute an event of default by the Hiring Agency and the consequences thereunder shall be entirely to the account of the Hiring Agency.

6. AGE OF HIRED EQUIPMENT

The Hired Equipment shall be in excellent Working Condition and also under no circumstances shall be more than 5 (Five) years old.

7. THIRD PARTY INSPECTIONS AND TESTS

The Hiring Agency shall carry out third party inspection at its own cost through an approved agency at the interval agreed between the Hiring Agency & the Company. Inspection reports / Calibration reports for the same shall be submitted to the Company site office within 5 (five) working days of the inspection. Required corrective actions, if any, on nonconformance as a consequence of the inspection shall be taken within a week failing which the Equipment shall be deemed to be under breakdown till such time the same is made good by the Hiring Agency.

8. HOUR METER

The Hired Equipment shall have an hour meter to accurately record hour meter reading on a day-to-day basis.

9. MOBILIZATION & DEMOBILIZATION CHARGES

Unless otherwise specified in the Special Conditions, mobilization and demobilization charges shall be to the account of the Hiring Agency. Even in cases where mobilization and / or demobilization charges are to the account of the Company, the Company shall not be liable for any mobilization or de-mobilization if the Hired Equipment doesn't perform as per agreed capacity/terms or not fit for the purpose specified and intended by the Company.

10. COMMENCEMENT DATE

This Contract shall be effective from the date when the Equipment reaches specified location of the Company site as also is ready for operation duly installed, tested and commissioned in presence of authorized personnel from the Hiring Agency approved by the Company to operate the Equipment. For avoidance of doubt it is clarified that mobilization/demobilization period shall not be considered as part of hiring period.

11. INSURANCE

The Hiring Agency shall obtain adequate cover for Comprehensive Insurance for the Equipment delivered at the Company site at its own cost including third party insurance and submit documentary evidence thereof to the Company. The Company shall not be liable for any damage to the Equipment and/or property, or personnel, etc. owned or employed by the Company/ its Employer/ or any other agencies for whatsoever reasons.

12. OPERATION HOURS

The Equipment shall be available for at least 260 hours/26 days per month for operation. The hours shall be flexible i.e. the Equipment shall be available for work round the clock i.e. 24 hours in a day. Increase in the operation hours beyond 260 hrs., if any, shall be chargeable at negotiated rates or rates worked out on pro-rata basis whichever is lower. During monsoons (typically June to September), hire charges shall be paid at negotiated rates or for maximum 130 hours whichever is lower. However, the Equipment shall be available for work round the clock.

13. OPERATOR(S) OF EQUIPMENT AND O & M CREW

The Hiring Agency shall provide qualified, experienced and competent O & M Crew for operating and maintaining the Equipment for trouble free operation. The personnel employed shall have valid license to operate the Equipment and shall be capable of carrying out regular maintenance and repairs at the site without any delay or hindrances to the ongoing work. The Operator(s) of Equipment engaged by the Hiring Agency shall have a valid Driving License and shall have driving/ operating experience of not less than 5 (five) years with respect to the same class of the Vehicle/Equipment to drive and operate the Vehicle on road and at work site safely and carefully. The notarized copy of the driving license, the residential address proof, the signature proof, identification mark and blood group for each driver shall be given to the Company by the Hiring Agency before such driver(s) / operator(s) is(are) assigned to the Vehicle/ Equipment. The Hiring Agency agrees and undertakes to be responsible to ensure that such driver / operator provided for the Vehicle / Equipment shall be physically fit for reporting to duty. The driver / operator shall be sober (not under the influence of any form of intoxication), of a sane mind, aware of his responsibilities and shall not have any kind of bad habits. The Hiring Agency agrees and undertakes to be responsible to ensure all of the above and to ensure safety of and be liable for all the persons, third parties, the driver/ operator and the Vehicle /Equipment and of all third party property at all times.

14. SITE ACCOMMODATION

Unless otherwise specified in the Special Conditions, accommodation of the crew shall be arranged by the Hiring Agency. If stated in the Special Conditions, only accommodation may be provided by the Company to the crew on chargeable basis, if available. For avoidance of doubt it is clarified that the salary wages, food and insurance etc. of the crew shall be provided by the Hiring Agency.

15. MINIMUM WAGES

The Hiring Agency shall ensure that it shall pay wages not less than payable as per the Minimum Wages Act and labor laws and submit the documentary evidence of payment to the Company, periodically.

16. LOG BOOK

The Equipment logbook contemporarily maintained at the site shall be treated as a final and conclusive document for time calculation, which shall be duly signed by operator of the Hiring Agency and Authorized Representative of the Company.

17. FUEL

The rates accepted by the Company are inclusive of fuel and oil/lubricant charges. Unless otherwise specified in the Special Conditions, fuel shall be arranged by the Hiring Agency. If specified in the Special Conditions, Fuel may be provided by the Company on chargeable basis upon written request from the Hiring Agency at prevailing market rates plus charges of 5%. Upper Limit of Fuel consumption of the Equipment shall be decided by the Company. In

case, the Equipment consumes more fuel than the agreed limit, then the excess amount with 15% of charges shall be deducted from the monthly bills raised by the Hiring Agency. If the Hired Equipment consumes excess fuel regularly for a prolonged period, the Company reserves the right to terminate the Contract at any point of time.

18. SPARE PARTS, OIL AND LUBRICANTS

The Hiring Agency shall keep adequate stock of spare parts & consumables required for repair & maintenance of the Equipment. This shall entirely be the responsibility of the Hiring Agency and the Company shall not be responsible for the same. However the Company may provide a separate space for storing the spare parts.

19. HAZARDS

The Hiring Agency shall be solely responsible for any and all hazardous materials, hazardous processes, or hazardous procedure with respect to the work in this Work Order and hereby indemnifies and keeps indemnified and hold harmless the Company against and from all claims, demands, liabilities, charges, and any / all proceedings and any/ all losses or damages or cost or expenses (including legal fees and expenses) including third party claims that may be suffered, incurred or expected to be so suffered or incurred by the Company on account of anything done or omitted to be done by the Hiring Agency in connection with this Work Order or any part thereof

20. REPAIR AND MAINTENANCE

The Hiring Agency shall carry out necessary preventive and periodic maintenance as per the manufacturer's requirements. The Hiring Agency shall also provide a detailed schedule for carrying out the periodic and preventive maintenance to the Company for approval. Preventive Maintenance shall be carried out during approved time slots only (e.g. during lunch hours or during the night time) so as not to affect operation schedule. The approval of Preventive Maintenance Schedule by the Company shall not absolve the Hiring Agency from their responsibilities to operate and effectively maintain the Equipment.

21. BREAKDOWN

In event of breakdown of the Equipment, the Company shall deduct the hire charges at negotiated rates or rates worked out on pro-rata basis whichever is higher. In case of minor breakdown, Equipment shall be repaired within 24 Hrs. In the event of failure to repair the Equipment without delay or otherwise, the Company shall hire the Equipment from any other source at the risk, cost and consequences of the Hiring Agency.

22. EQUIPMENT PERFORMANCE

Overall availability of the Equipment shall not be less than 90% of planned hours as per the Company schedule. In the event the Company is of the opinion that the Hiring Agency is not meeting the required performance criteria, the Company shall terminate the contract, at its discretion by serving 7 (Seven) day notice. The Company shall also recover damages to the tune of a sum equal to the amount levied, imposed or recovered from the Company by its Employer under the Main Contract.

23. DAMAGES FOR DELAY

In case of any delay in completion of the project for reasons attributable to the Hiring Agency, the Company shall recover damages from the Hiring Agency of a sum equal to the amount levied, imposed, or recovered from the Company by its Employer under the Main Contract.

24. TRANSFER OF LOCATION

The Company shall have rights to change / transfer location of the Equipment between work

fronts as per the requirements of the project site or as and when required.

25. FORCE MAJEURE

The term "Force Majeure" in this Agreement would mean and include acts of God, fire, casualty, flood, earthquake, strikes or lockouts, riots, militancy, insurrections or civil disorder, embargoes or war. If either Party's performance of obligations under this Agreement is prevented, restricted, delayed or interfered with by reason of Force Majeure, the performance of obligations shall be excused to the extent delayed or prevented by such Force Majeure.

26. COMPETITIVENESS OF HIRE CHARGES

The Hiring Agency undertakes that it has not supplied/is not supplying the similar Equipment at a hire charge(s) which are lower than that offered in the present Agreement in respect of any other customer and if it is found at any stage that the similar Equipment was supplied by the Hiring Agency to any other customer at a lower hire charge(s), then that very charge(s), with due allowance for elapsed time, shall be applicable to the present Agreement and the difference in the cost shall be refunded by the Hiring Agency to the Company.

27. PAYMENT TERMS

A monthly Tax Invoice shall be raised by the Hiring Agency for the Hired Equipment and shall submit the same by the 5th (fifth) day of every month along with the relevant documents like vouchers / log book copy signed by representative of both the parties, confirming the period of utilization of the Equipment. The Company shall verify and settle these invoices as per terms stated in the Work Order. No interest/penalties shall be paid on delayed payments, if any.

28. TERMINATION

28.1 Notwithstanding any other provision contained herein to the contrary or otherwise and without prejudice to any other rights and remedies available to the Company under the Work Order and the Applicable Laws, the Company shall be entitled to terminate the Work Order, if the Main Contract is terminated for any reason whatsoever by the Employer or in case of breach of any of the Representation or Warranties or undertakings or obligations by the Hiring Agency or in the event of any default by the Hiring Agency.

28.2 If due to reasons attributable to the Hiring Agency, it is not possible to complete the Work as per the specifications or as per schedule, then the Company reserves the right to terminate the Agreement by serving a 3 (three) day notice. The Hiring Agency shall additionally be liable for all cost, risk, expenses, penalties, charges, claims, delays, compensation, and all such costs that might be burdened onto the Company with respect to this Agreement as specified herein. The Hiring Agency shall then not be entitled to receive any payment and the cost of the substituting party doing / completing such Work shall be reimbursed by the Hiring Agency to the Company

29. CROSS FALL BREACH AND SET OFF

The Hiring Agency shall be bound by the terms of this Work Order as also any and all other Work Orders / Agreements / Contracts with the Company. The breach or default by the Hiring Agency under any of the Work Orders / Agreements / Contracts shall be a default under all the Work Orders/ Agreements/ Contracts and the Company shall have the right to exercise all rights that it may be entitled to in the event of breach or default by the Hiring Agency under any



GAMMON INDIA LIMITED

GENERAL CONDITIONS OF WORK ORDER

VERSION 1 (SEPT 2014)

and all the Work Orders / Agreements / Contracts.

The Hiring Agency further agrees and confirms that, the Company shall at all times have the right to deduct or adjust or set off all or any monies from any due (s) payable to the Hiring Agency under this Work Order / Subcontract and/or under any other Work Order(s) or Agreement(s) with the Hiring Agency or any of the account of the Hiring Agency or any of the Bank Guarantees (i.e. Performance or Advance or Retention or Security Deposit) of the Hiring Agency.

30. ARBITRATION

All and any disputes arising out of or in connection with this Agreement, after written notice by either Party to the Contract, shall be referred to the Sole arbitration of a person (bearing the designation of General Manager or equivalent or higher designation) of the Company appointed by the Chairman and Managing Director of the Company. The place of arbitration shall be Mumbai. The arbitration shall be conducted in English language. The arbitration award shall be final and binding. Subject as aforesaid, the provisions of the Arbitration and Conciliation Act, 1996, or any statutory modification or re-enactment thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceeding under this Clause.

Note: Nothing in this Agreement shall constitute or deemed to constitute the Hiring Agency as an agent of Gammon India Limited.

SECTION V

These General Conditions of Vehicle Hire shall be read in conjunction with the Special Conditions, if any and shall form an integral and binding part of the Work Order placed on the Hiring Agency by Gammon India Limited (hereinafter referred to as the Main Contractor or the Company) and collectively referred as Parties for providing Vehicle on hire (the Vehicle)

1. GOVERNING LAWS

The Work Order shall be governed by the Laws of India and courts in Mumbai shall have exclusive jurisdiction over all matters arising out of or relating to this Work Order. Notwithstanding the place where the Work Order is signed or where the work under the Work Order is to be executed, it is mutually understood and agreed by and between the Parties hereto, that this Work Order shall be deemed to have been entered into by the Parties concerned in the City of Mumbai

2. EXCLUSIONS

The Hiring Agency has clearly understood that the terms and conditions herein contained, has been negotiated by and entered into on behalf of the Company and the Hiring Agency understands and accepts that the Chairman and the Managing Director of the Company, or any Director(s) of the Company or the Chief Operating Officer of the Company has no part to play in the negotiations and execution of these presents and accordingly is not liable at all in contract, tort or crime in respect of this Work Order or any acts pertaining thereto including prior to its execution. The Hiring Agency accordingly undertakes that under no circumstances shall he/it sue and/or prosecute the Chairman and the Managing Director of the

Company, any Director(s) of the Company, the Chief Operating Officer of the Company in respect of the breach of any terms and conditions herein or in respect of any acts, deeds or statements that preceded this Contract and pertaining to it.

3. THE SCOPE

The Hiring Agency shall provide a registered motor vehicle which has the necessary permit and is registered for use as a passenger contract carriage/tourist vehicle (the "Vehicle"). The Hiring Agency shall also provide with the Vehicle a Driver having an effective and valid driving license for the same class of Vehicle (the "Driver"). The Hiring Agency shall provide the Vehicle with the Driver for use by the Company's Project at its Site / Office or location specified by it.

4. RTO CERTIFICATE & INSURANCE

The Vehicle shall have a valid R.T.O. Registration certificate, permits, fitness certificate, PUC certificate(s), certificate of payment of vehicle/road taxes (as may be applicable) and shall have a Comprehensive Insurance Policy including third party. The risk amount coverage for third party (ies) shall not be less than Rs. 7,50,000/- (Rupees Seven Lacs Fifty Thousand only) and the risk coverage for the Driver and all passengers shall not be less than Rs. 2,00,000/- (Rupees Two Lacs only) per person for the entire period of the contract. The Hiring Agency shall be responsible for all certification, insurances, permits, approvals, payment of taxes, and all such obligations and liabilities as required by the Applicable Law including but not limited to those mentioned in this Clause.

5. AGE OF VEHICLE

The Vehicle shall be in excellent working conditions and under no circumstances shall be more than 3 (three) years old. The Hiring Agency shall be responsible to ensure that the Vehicle has sufficient fuel, its lubricants, air and water and internally and externally, is always maintained in a sterling condition by the Hiring Agency.

6. DRIVER

The Driver engaged by the Hiring Agency shall have a valid Driving License and shall have driving experience of not less than 5 (five) years with respect to the same class of Vehicle to drive the Vehicle on road safely and carefully. The notarized copy of the driving license, the residential address proof, the signature proof, identification mark and blood group for each Driver shall be given to the Company by the Hiring Agency before such Driver(s) is(are) assigned to the Vehicle. The Hiring Agency agrees and undertakes to be responsible to ensure that such Driver provided for the Vehicle shall be physically fit for reporting to duty (and shall not be suffering from any form of communicable infectious diseases including any form of communicable infectious respiratory and skin diseases). The Driver shall have polite behavior & shall be on duty with neat and clean dress. The Driver shall be sober (not under the influence of any form of intoxication), of a sane mind, aware of his responsibilities and shall not have any kind of bad habits. He shall be available and answer the mobile phone at all times. In case of any misbehavior or misconduct of the Driver, the Company may forthwith levy a charge of Rs. 500 (Rupees Five Hundred only) and additionally the Company may (at its option) terminate this Work Order. The Hiring Agency agrees and undertakes to be responsible to ensure all of the above and to ensure safety of the passengers, third parties, the Driver and the Vehicle at all times.

7. MINIMUM WAGES

The Hiring Agency shall ensure that it shall pay wages not less than payable as per the Minimum Wages Act and comply with all obligations under labour laws. The Hiring Agency shall periodically submit the documentary evidence of payments to the Company. The Hiring Agency undertakes and agrees that the relationship between the Company and the Hiring Agency is on a principal to principal basis. The Hiring Agency undertakes and agrees that it is responsible for the full and timely performance of all legal and statutory compliances. Any non-payment by the Company or dispute between the Hiring Agency and the Company, if any, shall not be a cause or ground for non-compliance of these obligations by the Hiring Agency.

8. OPERATION HOURS

The Hiring Agency agrees that the Vehicle shall be available for at least 312 hours/26 days per month for operation. The hours of operation of the Vehicle shall be flexible i.e. the Vehicle shall be available for work round the clock i.e. 24 hours in a day. Increase in the operation hours beyond 312 hours, if any, shall be chargeable at negotiated rates or rates worked out on pro-rata basis whichever is lower. The Hiring Agency shall ensure that the replacement Driver for the Vehicle is provided for driving duty beyond the statutory working hours for Driver.

9. ODOMETER

The Hired Vehicle shall have calibrated Odometer to accurately record Kilometer reading on a day-to-day basis. The meter reading should tally the actual distance of run at any instant and 'Authorized Person' of the Company shall have authority to check the meter for its correctness.

10. LOG BOOK

The Driver of the Vehicle shall maintain the Log Book where date, time, kilometer reading and places visited are filled in and signed by the Company's Authorized Representative (or users so authorized in writing by the Company's Authorized Representative). The Vehicle Log Book contemporarily maintained at the site shall be treated as a final and conclusive document for time calculation, which shall be duly signed daily by the Driver of the Vehicle and Authorized Person of the Company. The 'Authorized Person' of the Company may be either the Project Manager / Plant Manager for the respective site, the Administration in charge for the site, or an officer of the Company not below the rank of Senior Manager.

11. FUEL

The rates accepted by the Company are inclusive of fuel and oil/lubricant charges. Unless otherwise specified in the Special Conditions, fuel shall be arranged by the Hiring Agency. If stated in the Special Conditions, Fuel may be provided by the Company on chargeable basis upon written request from the Hiring Agency at prevailing market rates plus charges of 5%. Upper Limit of Fuel consumption of the Vehicle shall be decided by the Company. In case, the Vehicle consumes more fuel than the agreed limit, then the excess amount with 15% of charges shall be deducted from the monthly bills raised by the Hiring Agency.

12. BREAKDOWN

In the event of any mechanical failure/breakdown of the Vehicle, the Hiring Agency shall arrange for the replacement by another

Vehicle within one hour. Such replacement vehicle shall be at the cost of the Hiring Agency. Charges towards the breakdown period shall be deducted at negotiated rates or rates worked out on pro-rata basis whichever is higher. If in the opinion of the Company's Authorized Person, the vehicle suffers frequent breakdown or is not maintained as per these terms and conditions, then the Company shall (at its option) forthwith terminate this Work Order.

13. LIABILITY IN CASE OF ACCIDENT

In case of any accident resulting in loss or damage to property or life, the sole responsibility for any legal or financial implication shall vest with the Hiring Agency. The Hiring Agency agrees and undertakes that the Company shall have no liability whatsoever.

14. TRANSFER OF LOCATION

The Company shall have rights to change / transfer location of Vehicle between work fronts as per the requirement of the project site or as and when required. If the location of the Vehicle is changed beyond the permit limits / plying limits it shall be the responsibility of the Hiring Agency to ensure such taxes are paid and the permits obtained.

15. PAYMENT TERMS

A monthly Tax Invoice shall be raised by the Hiring Agency for the hired Vehicle by the 5th (fifth) day of every month along with the relevant documents like vouchers / log book copy signed by representative of both the parties, confirming the period of utilization of the Vehicle and statement of recoveries, if any. The Company shall verify and settle these invoices as per terms stated in the Work Order. All taxes and duties with respect to this Work Order or any payment shall be the sole responsibility of the Hiring Agency. No interest/penalties shall be paid on delayed payments, if any.

16. TERMINATION

The Work Order shall be terminated forthwith by the Company in case there is a breach of any of the obligations, undertakings, representations and warranties made herein above by the Hiring Agency.

17. ARBITRATION

All and any disputes arising out of or in connection with this Agreement, after written notice by either Party to the Contract, shall be referred to the Sole arbitration of a person (bearing the designation of General Manager or Equivalent or higher designation) of the Company appointed by the Chairman and Managing Director of the Company. The place of arbitration shall be Mumbai. The arbitration shall be conducted in English language. The arbitration award shall be final and binding. Subject as aforesaid, the arbitration shall be governed under the laws of India.

Note: Nothing in this Agreement shall constitute or deemed to constitute the Hiring Agency as an agent of Gammon India Limited.
