

**Amendment in Chapter 3 and Chapter 6 of Contract Management Manual**

SI No	Clause No.	Existing Provision	Amended Provision
1	Clause 9 of CC/GTC, Chapter 3 of CMM	<p>9. TERMINATION, SUSPENSION, CANCELLATION &amp; FORECLOSURE OF CONTRACT :</p> <p>The company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to cancel/terminate the contract in full or in part, if the contractor</p> <p>a. makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer-in-charge, then on the expiry of the period as specified in the notice Or</p> <p>b. fails to achieve a monthly agreed quantity of 70%(Seventy percent) for a period of 6(six) consecutive month or for cumulative period of six months within any continuous period of 18(eighteen) months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor.</p> <p>Note: - In such cases the contractor may be Banned for minimum one year from participating in future bidding allowing the present business to continue without going into termination of the contract. (Not to be part of Tender Document-Procedure for banning of business shall be followed as per Guidelines of Banning of Business.)</p> <p>Or</p> <p>c. commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p>Or</p> <p>d. fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by</p>	<p>9. TERMINATION, SUSPENSION, CANCELLATION &amp; FORECLOSURE OF CONTRACT :</p> <p>The company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to cancel/terminate the contract in full or in part, if the contractor</p> <p>a. makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer-in-charge, then on the expiry of the period as specified in the notice Or</p> <p>b. fails to achieve a monthly agreed quantity of 70%(Seventy percent) for a period of 6(six) consecutive month or for cumulative period of six months within any continuous period of 18(eighteen) months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor.</p> <p>Note: - In such cases the contractor may be Banned for minimum one year from participating in future bidding allowing the present business to continue without going into termination of the contract. (Not to be part of Tender Document-Procedure for banning of business shall be followed as per Guidelines of Banning of Business.)</p> <p>Or</p> <p>c. commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p>Or</p> <p>d. fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing Or</p>

		<p>the Engineer-in-charge in a notice in writing</p> <p style="text-align: center;">Or</p> <p>e. shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company</p> <p style="text-align: center;">Or</p> <p>f. obtains a contract with the company as a result of ring tendering or other non-bonafide method of competitive Bidding.</p> <p style="text-align: center;">Or</p> <p>g. transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge. The Engineer-in-charge may give a written notice; cancel/terminate the whole contract or portion of it in default. The approving authority shall be TAA or CMD if originally awarded by empowered Committee of Directors headed by Chairman/FDs/CMD or Board.</p>	<p>e. shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company</p> <p style="text-align: center;">Or</p> <p>f. obtains a contract with the company as a result of ring tendering or other non-bonafide method of competitive Bidding.</p> <p style="text-align: center;">Or</p> <p>g. transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge.</p> <p>The Engineer-in-charge may give a written notice; cancel/terminate the whole contract or portion of it in default.  <u>However, when subsidiary decides to cancel the contract in parts as per (a) &amp; (b) above, the quantity considered for partial cancellation shall be dealt as per clause 10.1 of Conditions of Contract and balanced quantity shall be executed by the contractor as per terms and conditions for the remaining quantity both in terms of daily agreed progress of work as well as total remaining quantity.</u></p> <p>The approving authority shall be TAA or CMD if originally awarded by empowered Committee of Directors headed by Chairman/FDs/CMD or Board.</p>
2	Clause 10.1 of CC/GTC, Chapter 3 of CMM	<p>10. CARRYING OUT PART WORK AT RISK &amp; COST OF CONTRACTOR.</p> <p>10.1 <u>If the progress of the work or of any portion of the work is unsatisfactory, the Engineer-in-Charge, after giving the contractor 15 days' notice in writing, without cancelling or terminating the contract, shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly, debiting the contractor with cost involved in engaging another Agency or with the cost of labour and the prices of materials, as the case may be.</u> The certificate to be issued by the Engineer-in-Charge for the cost of the work so done shall be final and conclusive</p>	<p><u>10. ACTIONS AFTER PARTIAL CANCELLATION/TERMINATION OF CONTRACT.</u></p> <p>10.1 If the progress of the work or of any portion of the work is unsatisfactory as per clause 9a &amp; 9b of condition of contract, the Engineer-in-Charge, after giving the contractor 15 days' notice in writing, without fully cancelling/terminating the contract, shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly.</p> <p><u>In such an event, the contractor shall be liable for loss/damage suffered by the employer because of action under this clause</u></p>

		<p>and the extra cost, if any, shall be borne by the contractor. However, when this clause is invoked, any other penalty will not be applicable other than on account of shortfall in quantities as per clause 6.2.</p> <p>The value of the work taken away shall be calculated for the items and quantities taken away at the agreement rates including price variation as applicable on the date, when notice in writing for taking away part work was issued to the contractor. The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any.</p> <p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.</p>	<p><u>and to compensate for this loss or damage, the employer shall be entitled to recover higher of the following:</u></p> <p><u>i) Forfeiture of security deposit comprising of performance guarantee and retention money and additional performance security, if any, at disposal of the employer.</u></p> <p style="text-align: center;">Or</p> <p><u>ii) 20% of value of cancelled work. The value of the cancelled work shall be calculated for the items and quantities cancelled (as per provision of agreement) at the agreement rates, when notice in writing for termination of work was issued to the contractor.</u></p> <p>The certificate to be issued by the Engineer-in-Charge for the cost of the work <u>cancelled/terminated</u> shall be final. However, when this clause is invoked, penalty as per clause 6.2 of conditions of contract (i.e. shortfall in quantity) will not be applicable on cancelled/terminated quantity.</p> <p>The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any.</p> <p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.</p> <p>All the other terms and conditions of contract shall remain unaltered.</p>
3	Clause 9 of CC/GTC, Chapter 6 of CMM	<p>9. TERMINATION, SUSPENSION, CANCELLATION &amp; FORECLOSURE OF CONTRACT :</p> <p>The company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to cancel/terminate the contract in full or in part, if the contractor</p> <p>a. makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer-in-charge, then on the expiry of the period as specified in the notice</p> <p style="text-align: center;">Or</p>	<p>9. TERMINATION, SUSPENSION, CANCELLATION &amp; FORECLOSURE OF CONTRACT :</p> <p>The company shall, in addition to other remedial steps to be taken as provided in the conditions of contract, be entitled to cancel/terminate the contract in full or in part, if the contractor</p> <p>a. makes default in proceeding with the works with due diligence and continues to do so even after a notice in writing from the Engineer-in-charge, then on the expiry of the period as specified in the notice</p> <p style="text-align: center;">Or</p>

	<p>b. fails to achieve a monthly agreed quantity of 70%(Seventy percent) for a period of 6(six) consecutive month or for cumulative period of six months within any continuous period of 18(eighteen) months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor. Note: - In such cases the contractor may be Banned for minimum one year from participating in future bidding allowing the present business to continue without going into termination of the contract. (Not to be part of Tender Document-Procedure for banning of business shall be followed as per Guidelines of Banning of Business.)</p> <p style="text-align: center;">Or</p> <p>c. commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p style="text-align: center;">Or</p> <p>d. fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p style="text-align: center;">Or</p> <p>e. shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company</p> <p style="text-align: center;">Or</p> <p>f. obtains a contract with the company as a result of ring tendering or other non-bonafide method of competitive Bidding.</p> <p style="text-align: center;">Or</p> <p>g. transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge. The Engineer-in-charge may give a written notice; cancel/terminate the whole contract or portion of it in default. The approving authority shall be TAA or CMD if</p>	<p>b. fails to achieve a monthly agreed quantity of 70%(Seventy percent) for a period of 6(six) consecutive month or for cumulative period of six months within any continuous period of 18(eighteen) months, save and except to the extent of non-availability caused by i) a Force Majeure event or ii) an act of omission of company, not occurring due to any default of the contractor. Note: - In such cases the contractor may be Banned for minimum one year from participating in future bidding allowing the present business to continue without going into termination of the contract. (Not to be part of Tender Document-Procedure for banning of business shall be followed as per Guidelines of Banning of Business.)</p> <p style="text-align: center;">Or</p> <p>c. commits default/breach in complying with any of the terms and conditions of the contract and does not remedy it or fails to take effective steps for the remedy to the satisfaction of the Engineer-in-charge, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p style="text-align: center;">Or</p> <p>d. fails to complete the work or items of work with individual dates of completion, on or before the date/dates of completion or as extended by the company, then on the expiry of the period as may be specified by the Engineer-in-charge in a notice in writing</p> <p style="text-align: center;">Or</p> <p>e. shall offer or give or agree to give any person in the service of the company or to any other person on his behalf any gift or consideration of any kind as an inducement or reward for act/acts of favour in relation to the obtaining or execution of this or any other contract for the company</p> <p style="text-align: center;">Or</p> <p>f. obtains a contract with the company as a result of ring tendering or other non-bonafide method of competitive Bidding.</p> <p style="text-align: center;">Or</p> <p>g. transfers, sublets, assigns the entire work or any portion thereof without the prior approval in writing from the Engineer-in-charge.</p> <p>The Engineer-in-charge may give a written notice; cancel/terminate the whole contract or portion of it in default. <u>However, when subsidiary decides to cancel</u></p>
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		originally awarded by empowered Committee of Directors headed by Chairman/FDs/CMD or Board.	<p><u>the contract in parts as per (a) &amp; (b) above, the quantity considered for partial cancellation shall be dealt as per clause 10.1 of Conditions of Contract and balanced quantity shall be executed by the contractor as per terms and conditions for the remaining quantity both in terms of daily agreed progress of work as well as total remaining quantity.</u></p> <p>The approving authority shall be TAA or CMD if originally awarded by empowered Committee of Directors headed by Chairman/FDs/CMD or Board.</p>
4	Clause 10.1 of CC/GTC, Chapter 6 of CMM	<p>10. CARRYING OUT PART WORK AT RISK &amp; COST OF CONTRACTOR.</p> <p>10.1 <u>If the progress of the work or of any portion of the work is unsatisfactory, the Engineer-in-Charge, after giving the contractor 15 days' notice in writing, without cancelling or terminating the contract, shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly, debiting the contractor with cost involved in engaging another Agency or with the cost of labour and the prices of materials, as the case may be.</u> The certificate to be issued by the Engineer-in-Charge for the cost of the work so done shall be final and conclusive and the extra cost, if any, shall be borne by the contractor. However, when this clause is invoked, any other penalty will not be applicable other than on account of shortfall in quantities as per clause 6.2.</p> <p>The value of the work taken away shall be calculated for the items and quantities taken away at the agreement rates including price variation as applicable on the date, when notice in writing for taking away part work was issued to the contractor. The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any.</p> <p>If the expenses incurred by the department is less than the amount payable to the contractor at his agreement rates, the difference shall not be payable to the contractor.</p>	<p>10. <u>ACTIONS AFTER PARTIAL CANCELLATION/TERMINATION OF CONTRACT.</u></p> <p>10.1 If the progress of the work or of any portion of the work is unsatisfactory as per clause 9a &amp; 9b of condition of contract, the Engineer-in-Charge, after giving the contractor 15 days' notice in writing, without fully cancelling/terminating the contract, shall be entitled to employ another Agency for executing the job or to carry out the work departmentally or contractually through tendering / limited tendering process, either wholly or partly.</p> <p><u>In such an event, the contractor shall be liable for loss/damage suffered by the employer because of action under this clause and to compensate for this loss or damage, the employer shall be entitled to recover higher of the following:</u></p> <p>i) <u>Forfeiture of security deposit comprising of performance guarantee and retention money and additional performance security, if any, at disposal of the employer.</u></p> <p style="text-align: center;">Or</p> <p>ii) <u>20% of value of cancelled work. The value of the cancelled work shall be calculated for the items and quantities cancelled (as per provision of agreement) at the agreement rates when notice in writing for termination of work was issued to the contractor.</u></p> <p>The certificate to be issued by the Engineer-in-Charge for the cost of the work <u>cancelled/terminated</u> shall be final. However, when this clause is invoked, penalty as per clause 6.2 of conditions of contract (i.e. shortfall in quantity) will not be</p>

		<p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.</p>	<p>applicable on cancelled/terminated quantity.</p> <p>The contractor, from whom part work is being taken out, shall not be allowed to participate in the tendering process if any.</p> <p>In the event of above course being adopted by the Engineer-in-charge, the contractor shall have no claim to compensation for any loss sustained by him by reasons of his having purchased materials, equipments or entered into agreement or made advances on any account or with a view to the execution of work or performance of the contract.</p> <p>All the other terms and conditions of contract shall remain unaltered.</p>
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