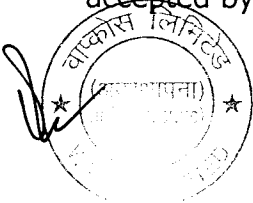


ANNEXURE - 2

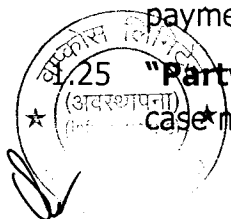
GENERAL CONDITIONS OF CONTRACT

1.0. DEFINITION OF TERMS

- 1.1 Unless defined otherwise, the following terms used in this document shall have the meanings.
- 1.2 **"Owner"** or **"Purchaser"** or **"Utility"** or **"Client"** shall mean Tamilnadu Generation and Distribution Corporation Limited (TANGEDCO), Chennai, Tamil Nadu, India who is calling for the tenders and shall include their legal representatives, successors and permitted assigns.
- 1.3 **"Purchaser's Country"** shall mean India.
- 1.4 **"Related Services"** means the services to be provided as per the requirements / conditions specified in the Contract. In addition to this, the definition would also include other related/ancillary services that may be required to execute this Contract.
- 1.5 **'Tender Notice'** means a notice published in the dailies/website/ notice board calling tenders from eligible bidders in respect of this work.
- 1.6 **"Two part system"** means a tender procedure under which the tenderers are required to simultaneously submit two separate sealed covers, one (cover A) containing the earnest money deposit and the details of their bid qualifying requirements, capability to undertake the tender along with technical terms and commercial conditions except price bid which will be opened first and the second cover (cover B) containing the price quotation which will be opened only if the tenderer is qualified in the first instance to execute the work.
- 1.7 **"Tender Specification"** or **"Request for Proposal (Rfp)"** shall mean the Technical Specifications and the Conditions of Contract together with Bid Proposal Sheet forming a part of the bid documents and contract and such other schedules and drawings as may be mutually agreed upon.
- 1.8 **'Earnest Money Deposit or Bid Security'** means the amount required to be remitted by a tenderer along with his tender indicating his willingness to implement the contract, which will be returned back to the bidder, if the bidder is not successful in getting the order. In case of consultant, it will be adjusted against Security Deposit (SD) payable.
- 1.9 **'Tender/Bid'** means the proposal / document the Bidder submits in the requested and specified form in the specification.
- 1.10 **'Successful Tenderer/Bidder'** means the tenderer whose tender has been accepted by the owner.



- 1.11 **"Notice of Award of Contract"/ "Letter of Intent (LoI)"** shall mean the official intimation from the Owner notifying the consultant that its proposal has been accepted and that the bidder is required to sign the contract Agreement.
- 1.12 **Letter of Award (LoA)** means the TANGEDCO's Detailed Order having detailed terms and conditions of the technical & financial parameters.
- 1.13 **'Contract Price'** means the sum mentioned in or calculated in accordance with the provisions of the contract or any amendments thereto.
- 1.14 **"Starting Date" or "Date of Contract"** shall mean the date of receipt of Letter of Intent (LoI) by the consultant.
- 1.15 A **"week"** shall mean a continuous period of seven (7) days.
- 1.16 The **"Government"** shall mean the "Government of India/Government of Tamil Nadu" or an authorized representative/agency/department of the "Government of India/Government of Tamil Nadu".
- 1.17 **"The MoP"** is the Ministry of Power, Government of India.
- 1.18 The words imparting singular shall also include the plural and vice-versa where the context so requires.
- 1.19 **"Final Report" or "Report"** will mean the final report or document prepared by the consultant as per Owner's Specification.
- 1.20 **'Site'** means the shall mean all identified locations within the State of Tamil Nadu and include wherever applicable, the lands and buildings upon or in which the IPDS project schemes are to be executed and where the Contractor is required to provide the Services.
- 1.21 **'Works'** means the works to be done by the consultant under the contract.
- 1.22 **"Services"** means the work to be performed by the Project Management Agency (PMA) pursuant to this Contract for the purposes of the Project, as described in the Scope of Work hereto;
- 1.23 **"Personnel"** means persons hired by the Project Management Agency (PMA) as employees and assigned to the performance of the Services or any part thereof; **"Foreign Personnel"** means such persons who at the time of being so hired had their domicile outside the Government's country; and **"Local Personnel"** means such persons who at the time of being so hired had their domicile inside the Government's country;
- 1.24 **'Department Engineer'** means an Engineering official nominated by TANGEDCO to oversee the works performed by the consultant who is competent to verify the quantity and quality of works and certify the same for payment.



4.25 **"Party"** means the Utility or the Project Management Agency (PMA), as the case may be;

- 1.26 **"Project"** means all Activities covered under present contract.
- 1.27 **"in writing"** means communicated in written form with proof of receipt.
- 1.28 **"Kick Off Meeting"** means a meeting convened by the Purchaser to discuss and finalize the work execution plan and procedures with the PMA.
- 1.29 **"OEM"** means the Original Equipment Manufacturer of any equipment / system / software / product.
- 1.30 **"Third Party"** means any person or entity other than the Government, the Utility, the Project Management Agency (PMA) or any other party as implied by the usage and context.
- 1.31 **"Day or "Days"** unless herein otherwise expressly defined shall mean calendar day or day of 24 hours each. Working days in a month shall be as defined by Consultant in its offer.
- 1.32 The title or heading shall not alter or affect the intent or scope of the clause or articles of the Documents.
- 1.33 The Date of Completion of Contract-Unless otherwise terminated under the provisions of any other relevant clause of the document, Contract shall be deemed to have been completed after issuance of the certification from the owner that there is no demand outstanding against the Consultant and all liabilities under the contract have been satisfactorily fulfilled by the Consultant.
- 1.34 Words imparting "Person" shall include firms, companies, corporations and association or bodies of individuals, whether incorporated or not.
- 1.35 **"Project Management Agency (PMA)", "Consultant" or "Technical Specialist" or "Contractor"** shall mean the bidder whose bid has been accepted by the Owner for the award of the work and shall include his legal representatives, successors and permitted assigns.
- 1.36 **"Project Management Agency (PMA) assignment", "Consultancy Assignment" or "Work" or "Study" or "Assessment" or "Services"** shall mean the complete study as prescribed in the Specification / Terms of Reference (ToR).
- 1.37 **"Contract"** shall mean the Contract Agreement entered into between the Owner and the Consultant, together with the Contract documents referred to therein; they shall constitute the Contract and the term "Contract" shall in all such documents be construed accordingly.
- 1.38 **"Subcontractor"** means any natural person, private or government entity, or a combination of the above, including its legal successors or permitted assigns, to whom any part of the Goods to be supplied or execution of any part of the Services is subcontracted by the Supplier.



Project Management Agency (PMA) shall not sub-contract any part of its obligation under the present contract.

2.0 CURRENCY OF BID

All prices in Indian Rupees and all payments shall be made in Indian Rupees.

3.0 PROGRESSIVE PAYMENT

All payments against the services shall be paid against production of invoice in duplicate by the Consultant. The payment of such fees shall be released as per clause No. 8 (Terms of Payment) of the LoA, on stage-wise completion of the services including submission of the Deliverables and subject to acceptance, approval and certification by the Project-in-Charge.

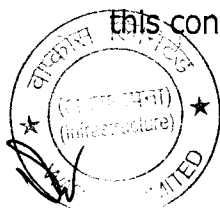
4.0 PROCEDURE OF PAYMENT

All the invoices of payment shall be supported by necessary documents and submitted in duplicate for the certification of Project-in-Charge of which he will require a maximum time of seven (7) days before the same are submitted for processing the payment within a reasonable time after the certification of the Project-in-Charge of the amount payable for the services. In the event, there is any query in respect of any item of such invoice requiring clarification, the Project-in-Charge shall notify the same within 15 days of receipt of such invoice by the Owner that such a query has arisen and both the parties shall endeavor to reach an agreement within a period of thirty (30) days thereafter. If no mutual agreement can be reached within a period of forty five (45) days after receipt of the invoices by the Project-in-Charge, the Owner shall make payment against the balance of invoice (original amount less the amount in question) to the Consultant within a reasonable time thereafter. The invoice for the balance amount under question shall be separately submitted for future consideration of the Owner. TANGEDCO will not pay any interest for delayed payments, if any, on any account.

5.0 LIABILITY OF THE CONSULTANT

Should any defect or inadequacy appear in the services rendered and report submitted by the Consultant prior to the date of final acceptance of the work by the Owner, the Consultant shall perform at its own initiative and free of any cost to Owner, all such services as shall be necessary to remedy the said defect or inadequacy.

The Consultant shall be further liable for the consequence of errors and omissions arising from the gross negligence on its part or on the part of its employees or associates or experts to the extent of the total contract value of this contract.



6.0 TAXES, DUTIES AND INSURANCE

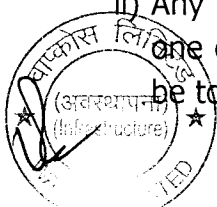
- 6.1 All taxes (including professional tax, service tax etc. as applicable) duties, levies, insurance charges, license fees, etc. arising out of the contract shall be payable directly by Consultant and shall be included in the lump sum bid price for the entire scope of work. Owner will not bear any expenditure, whatsoever on this account. As regards income tax, surcharge on income tax and other corporate taxes, the Consultant shall be responsible for such payments to the concerned authorities. However, the Owner is entitled to deduct TDS as per the Government policies/tax rules and regulations.
- 6.2 The service tax shall be reimbursed upon production of documentary evidences for having paid the same along with copy of service tax registration certificate.
- 6.3 The Consultant shall be liable to take and maintain, at their own cost, all necessary insurance against all risks etc.

7.0 PATENT

- a) The Consultant shall hold harmless and indemnify the client from and against loss, damage and expenses arising from any claim for infringement of patent, copy right, design and other such rights in existence or to be granted on an application published prior to the completion of this Consultancy with respect to or arising out of the sue or supply of design, or any work in accordance with the designs, drawings or specifications furnished, approved or recommended by the Consultant.
- b) The Consultant shall promptly notify the client in writing if the Consultant has or has acquired knowledge of any patent under which a claim or suit for infringement could reasonably be brought because of the use by the client of any information, recommendation or specifications, services rendered by the Consultant.
- c) The Consultant, in such case, shall forthwith at its own cost make and furnish to the client alternative designs, drawings, specifications or recommendations to avoid the same and without putting the Client to additional cost.

8.0 SETTLEMENT OF DISPUTE

- i) Except as otherwise specifically provided in the Contract all disputes concerning questions of fact arising under the Contract shall be decided by the Project-in-Charge subject to a written appeal by the Consultant to the Project-in-Charge, whose decision shall be final to the parties hereto.
- ii) Any disputes or difference including those considered as such by only one of the parties arising out of or in connection with the contract shall be to the extent possible settled amicably between the parties.



9.0 Termination on Default:

9.1 The Owner may without prejudice to any other remedy for breach of contract, by written notice of default sent to the Consultant, terminate the contract in whole or in part.

- a. If the Consultant fails to deliver any or all of the services within time period(s) specified in the contract or any extension thereof granted by the Owner in writing.
- b. If the Consultant fails to perform any other obligation(s) under the contract or
- c. If the Consultant, in either of the above circumstances, does not cure its failure within a period of thirty (30) days after receipt of the default notice from the Owner.

9.2 In the event the Owner terminates in whole or in part, pursuant to Para 10, the Owner may get the services done, upon such terms and in such manner as it deems appropriate, similar to those not rendered, and the Consultant shall be liable to the Owner for any excess costs for such similar services. However, the Consultant shall continue performance of the contract to the extent not terminated.

10.0 Termination for Convenience

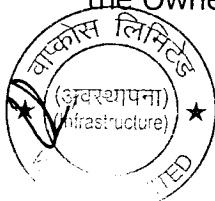
10.1 The Owner, may by written notice sent to the Consultant, terminate the contact, in whole or in part, at any time for its convenience, The notice of termination shall specify that termination is for Owner's convenience, the extent to which performance of work under the contract is terminated and the date upon which such termination become effective.

10.2 The studies/services that are completed and ready for final reporting within thirty (30) days after the Consultant's receipt of notice of termination shall be accepted by the Owner at contract terms and prices. For the remaining services, the Owner may elect,

10.3 To have any portion completed and delivered at the contract terms and prices and/or to cancel the remainder and pay to the Consultant an agreed amount for partially completed services.

11.0 Termination for Insolvency

11.1. The Owner may at any time terminate the Contract by giving written notice to the Consultant, without compensation to the Consultant, if the Consultant becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Owner.



- 11.2. Upon termination of the contract at any time for whatever reason by the Owner compensation shall be payable to the Consultant for all services performed satisfactorily until the date of termination. In addition the Consultant will be paid for such of those items of work, which have been partially completed as per conditions stipulated under relevant clause. The Consultant shall provide available documentary evidences to this effect, acceptable to the Owner.
- 11.3. Following issuance by the Owner of a notice of termination and prior to the effective date of such termination, the Consultant shall:
- Terminate performance of work in progress under the contract on the date and to the extent specified in the notice of termination.
 - Incur no further costs for services except as necessary to complete performance of any portion of the work under the contract not terminated by the said notice.
 - Terminate all outstanding orders, service contracts and sub-contracts to the extent that they relate to the performance of work terminated by the notice;
 - Transfer title and deliver to the Owner in the manner, at the times and to the extent, if any, as directed by the Owner, all completed or partially completed reports, designs, data, maps, plans, photographs, specifications, and commutations, etc. which, if the contract had been continued, would have been required to be furnished to the Owner.

The termination of the contract shall not relieve the Consultant of its duties and liabilities as per the contract for the portion of the services performed prior to the effective date of termination.

- 11.4. Drop dead fee as per clause 2.31 of Annexure -3 will be applicable for the clause 9,10 & 11 of this section

12. **Signing of Agreement**

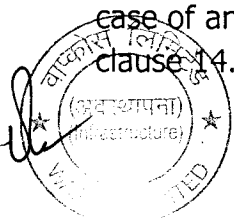
In the event of award, the selected bidder "**Consultant**" will be required to enter into Contract Agreement with the TANGEDCO within 30(Thirty) working days from the date of receipt of the Letter of Intent (LOI) or within such extended time, as may be granted by the TANGEDCO.

13. **Governing Laws**

This Consultancy work shall be governed by the Indian Laws for the time being in force and the Chennai Courts alone shall have the jurisdiction.

14. **Suspension of the obligation**

- 14.1. The obligations stipulated in this specification can only be suspended in the case of any particular item or work, in the event of Force Majeure as defined in clause 14.3 or as the result of an agreement between the parties.



- 14.2. In the event of Force Majeure, neither of the parties may be considered in default of its obligations under the terms of the Specifications.
- 14.3. It is however agreed that "Force Majeure" shall not mean or include:
- any event caused by the negligence or intentional action of a Party or such Party's Consultants or agents or employees, nor
 - any event which a diligent Party could reasonably have been expected take into account at the time of the execution of this Agreement, and avoid or overcome in the carrying out of its obligations hereunder.
- 14.4. The Consultant shall not be paid /reimbursed any further price or cost or any additional cost in re-activating the services after the end of Force Majeure event.

15. **Handling of documents**

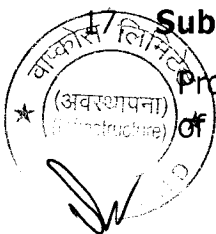
- All plans, design calculations, studies, data, maps, drawings, reports and specifications prepared by the Consultant in connection with the services to be provided by the Consultant shall be the property of the Owner, As and when required or upon termination of the Contract, the aforesaid documents, prepared specifically for this Study (including originals), shall be handed over to the Owner before final acceptance or thereafter.
- The Consultant shall take all necessary steps to ensure confidential handling of all matters pertaining to plans, designs, drawings, specifications, methods and any other information developed or acquired by him from the Owner under terms of the Contract or in performance thereof.
- The Consultant shall not prepare articles or photographs for publication or speeches or presentations about the work and /or site and/or plant, contracts and installation in which has an interest without prior written consent of.
- The Consultant shall take necessary steps to ensure that all persons employed on any work in connection with this contract have noticed that the Indian Official Secrets Act, 1923 (XIX of 1923) applies to them and shall continue to apply even after the execution of such work(s) under the contract.

16. **Abandonment of work**

If any work included in the scope of specification to be done by the Consultant is abandoned or suspended for any cause or reasons, which cannot be attributed to the Consultant, payment, shall be made on a pro-rata basis for the work actually done and as decided by the Owner.

Sub-Contract

Project Management Agency (PMA) cannot not assign or sub-contract any part of its obligation under the present contract.



18. **Limitation of liabilities**

- 18.1 The Owner shall in no way be responsible for any liabilities arising out of the Consultant's contractual obligation with the Consultant's personnel, experts, engineers, Sub-contractors, licensors, collaborators, venders, or subsidiaries.
- 18.2. The Consultant and the Owner both agree that each shall assume full risk of damages of injury to its own properties, employees and representatives caused by any act or omission to act by their respective employees or representatives, during the performance.

19. **Changes/Additions/Deletions**

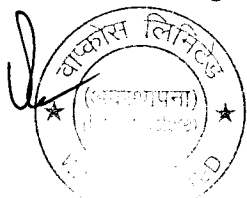
- 19.1 The Owner shall have the right to request in writing additions or changes in the scope of services to be performed by the Consultant. If in the Consultant's opinion, any such additions or changes affect the completion schedule or the fee, Owner will be advised accordingly and the same shall be mutually settled. However, the Consultant shall continue to carry out the work pending till final settlement if any.
- 19.2 The Owner reserves the right to delete any item/s or part thereof from the scope of services to be performed by the Consultant. For such purposes the Owner shall give to the Consultant a notice in writing on receipt of which the Consultant shall take necessary steps as may be directed by the Owner and shall stop incurring any expenditure and performing services in connection with the item/s of work so deleted.
- 19.3 The corresponding fee for the deleted item(s) of work will be arrive based on the fee identified in the Contract and shall be deducted from the fee payable to the Consultant under the Contract. The Consultant, however, shall be entitled for the compensation of the amount of work and services already performed in connection with item(s) deleted from the scope, at a mutually acceptable fee.

20. **No waivers**

If Owner, in any instance, does not insist upon strict performance of any of the terms of the assignment, it shall not be construed as a waiver or relinquishment in the future till the assignment is in force and shall not relieve Consultant of any of its responsibilities under the assignment.

21 **Instructions and notices**

All notices to be given on behalf of the Owner and all other actions to be taken on its behalf may be given or taken by the Project-in-Charge or any officer for the time being entrusted with the functions, duties and powers of the Project-in-Charge.



All instructions, notices and communications, etc., shall be given in writing and if sent by registered / speed post to the last known place of business of the Consultant, shall be deemed to have been served on the dates when in the ordinary course of post these would have been delivered to him.

22 Bankruptcy

If the Consultant shall become bankrupt or have a receiving order made against him or compound with his creditors or being a corporation commence to be wound up, not being a voluntary winding up for the purpose only amalgamation or reconstruction, or carry on their business under a receiver for the benefit of their creditors or any of them, the Owner shall be at liberty:

1. To terminate the assignment forthwith without any notice in writing to the Consultant or to the liquidator or receiver or to any person in whom the Consultant may become vested.
2. To give such liquidator receiver or other person the option of carrying out the consultancy assignment subject to their providing a guarantee for the due and faithful performance of the assignment up to an amount to be determined by the Owner.

23 Progress report

- i) The Consultant shall prepare and submit to the Owner progress reports as per agreed formats & periodicity showing the progress and status of the `Works being performed by him including such materials as charts, networks and photograph (if any) as per the directives of the Owner.
- ii) It is understood that submission of such reports and reviews thereof by the Owner shall not be deemed to absolve the Consultant of his responsibility of timely completion of the Assignment as per the time schedule indicated herein.

24 Methodology of execution of assignment

24.1 Consultant shall clearly bring out in their bid their organization chart and the methodology they want to follow of successful execution of the assignment. Consultant along with the organization chart shall indicate the names of key persons proposed to be deployed for each activity of the project and their bio data. They shall also indicate separately the works they intent to carryout in their home office and in their office in India and estimated Man days. Consultant shall also bring out in his bid number of visits to site of the key personnel they envisage under the assignment.

24.2 Regular review meetings will be held either in the Owner's Office or Consultant's office in Chennai and progress of work will be reviewed. The engineering co-ordination and Consultant co-ordination procedure will be discussed and decided separately during the pre-award stage.



25.0 **Correspondence and contract coordination procedure**

- i) All correspondence during the pre-award stage and during execution of the contract shall be made as per following procedure:-
- ii) On all technical matters pertaining to execution of the contract as per Specification in the Consultant shall directly interact with the Project-in-Charge.
- iii) All correspondence from the Owner to the Consultant shall be made with the Authorized Representative to be identified by the Consultant and agreed by Owner.

26.0. **Inspection of site by Consultant**

The Consultant shall inspect and examine the site and its surroundings and shall satisfy himself as to the form and nature of the site, the quantities and nature of work and the equipment / materials necessary information as to risks, contingencies, and other circumstances, which may influence or affect his tender, before bidding.

27.0. **Manpower deployment**

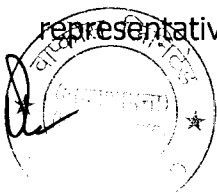
The Consultant shall deploy task force of well qualified and experienced engineering / science executive and draftsmen for this work. The manpower proposed to be deployed for this task shall be guaranteed by the Consultant in his offer both discipline-wise and category wise (for Engineers / Scientists and draftsmen) required for completion of service included under the scope of the specification. The Consultant shall depute a senior level executive to act as fulltime overall coordinator and focal point for all interactions with the Owner throughout the entire period of consultancy assignment. The bio-data of the Engineering / Scientific personnel proposed to be included in the Task Force should be enclosed with the offer. The task force so proposed is subject to the approval of the Owner. The Owner may ask for suitable substitution of Engineers/Scientists in place of the proposed ones, if it so desires.

28.0. **Co-ordination procedure**

The Consultant shall propose in its offer the detailed co-ordination procedure with the Owner for performing the services. The system to be adopted shall provide control and continuity of all functions. Owner's participation in the major decisions shall be essential to the extent desired by the Owner. The coordination procedure and schedules of coordination review meeting between the Owner and the Consultant shall be mutually discussed and finalized before award of the contract.

29.0 **Association of the owner**

The Owner may depute its representative to be present during the entire course of studies or any part thereof. The Project-in-Charge or his authorized representatives will have to be provided necessary information when asked



for. He may further monitor the field and laboratory activities, and supervise the finalization of the documents. The engineers will also discuss results of studies and may suggest different cases to be studied. The Consultant shall provide all facilities for the Owner's Project-in-Charge / Representatives to have fruitful participation in the work. The Consultant will submit all study results draft sections / documents to the Project-in-Charge for his approval and the final document will be prepared after incorporating changes / modifications / additions / alterations suggested by the Project-in-Charge.

30.0 **Language**

The offer must be submitted in English language, all documents, specifications, schedules, notices correspondences, operation & maintenance instructions, drawings or any other written material in connection with this work shall be in English language.

31.0 **Units & Indian standards / Codes / Regulations**

Indian Standards, codes and regulations, wherever applicable, shall be adopted and adhered to by the Consultant. In case of such Indian standards / codes / regulations being not available in particular areas, applicable and accepted International standards shall be followed.

32.0 **Owner`s right**

Owner reserves the right for the following:

Review of the work performed by the Consultant either himself or through another Consultant separately appointed by him and asks for any clarification and changes / modifications to the work performed by the Consultant. Such changes shall be mutually discussed and agreed upon between the Owner and Consultant in his work without any cost and liability to the Owner and without any dilution of the responsibility of the Consultant.

33.0. **Travel expenses**

The travel expenses incurred by the Consultant's personnel for journeys to site or Owner's Office or anywhere in connection with the study under Scope of this Specification will be borne by the Consultant and the Owner will not take any responsibility whatsoever on this account

34.0. **Access to Consultant's office / work site**

The authorized representative (s) of the Owner shall be provided access to the Consultant's and/or its Associates premises or to the work site at any reasonable time during the currency of this work for expediting, inspection & checking of the progress of the Consultant's work.

35.0. **Removals and/or Replacement of Personnel**

a) Except as the Owner may otherwise agree, no changes shall be made in the Personnel. If, for any reason beyond the reasonable control of the Consultants, it becomes necessary to replace any of the Personnel, the Consultants shall forthwith provide as a replacement a person of

