

10.1. Liquidated Damages (LD) / Delay Penalty Clause

- **10.1.1. Time of Essence:** The time stipulated in the contract for the completion of the works 180 days shall be deemed to be the essence of the contract on the part of the Contractor.
- **10.1.2. Penalty for Delay:** If the Contractor fails to achieve successful commissioning and grid-synchronization of the 800 KW Solar Rooftop Plant on or before the scheduled completion date, the Contractor shall pay to **GARUD** as Liquidated Damages (and not as a penalty) a sum calculated at the rate of **0.5% (zero point five percent) of the total contract value** for every week of delay or part thereof.
- **10.1.3. Maximum Cap:** The total amount of liquidated damages for delay under this contract shall be subject to a maximum ceiling of **10% (ten percent) of the total contract value**.
- **10.1.4. Right to Recovery:** GARUD reserves the right to deduct the accumulated Liquidated Damages from any running bills, milestone payments, or by invoking the Performance Bank Guarantee (PBG) available with GARUD, without prejudice to any other contractual or legal remedies.
- **10.1.5. Exclusions:** No Liquidated Damages shall be levied if the delay is strictly attributable to documented delays by the DISCOM in providing net-metering approvals/meters, or due to events explicitly covered under Clause 10.4 (Force Majeure).

10.2. Defect Liability Period (DLP) & System Warranties

- **10.2.1. Defect Liability Period (DLP):** The Contractor shall provide a comprehensive Defect Liability Period of **5 (five) years** from the date of official commercial commissioning and grid-synchronization of the complete plant. During this period, the Contractor shall be fully responsible for any design flaws, material defects, or workmanship errors, and shall replace/repair the same at zero cost to GARUD.
- **10.2.2. Solar PV Module Warranty:**
 - **Product Warranty:** Solar PV modules must carry a comprehensive product warranty against structural/material defects and workmanship for a minimum of **10 (ten) years**.
 - **Linear Power Output Warranty:** The Contractor shall guarantee that the modules will exhibit a linear degradation profile, providing not less than **90%** of the rated nameplate power output at the end of 10 years, and not less than **80%** at the end of **25 (twenty-five) years**.
- **10.2.3. Inverter Warranty:** All grid-tied string inverters must be backed by a comprehensive manufacturer's warranty of a minimum of **5 (five) years** from the date of commissioning, covering all parts, labor, and onsite replacement.
- **10.2.4. Resolution Timeline:** Any defect or equipment failure reported during the DLP must be addressed within **48 hours** of written intimation. Failure to rectify the defect within this window will attract a penalty of **₹5,000 per day** of prolonged downtime, deductible from the O&M bills or retention money.

10.3. Detailed Penalty Structure for CUF/PR Shortfall

- **10.3.1. Performance Ratio (PR) Guarantee:** The Contractor shall guarantee a minimum Performance Ratio (PR) of **75% (seventy-five percent)** during the formal post-commissioning PR test conducted as per IEC 61724 standards.
- **10.3.2. Capacity Utilization Factor (CUF) Guarantee:** The Contractor guarantees a minimum annual Capacity Utilization Factor (CUF) of **19.5%** for the first year of operation, with an allowable degradation factor of not more than **0.7%** year-on-year for the subsequent 4 years of the O&M contract.
- **10.3.3. Penalty for Shortfall:** If the plant fails to meet the guaranteed annual CUF or PR due to factors solely under the Contractor's operational control (e.g., poor maintenance, delayed module cleaning, unrectified equipment faults), a shortfall penalty shall be levied as follows:

Penalty Amount = (Guaranteed Generation in kWh - Actual Generation in kWh) X Tariff Rate (or Commercial Slab Rate of Hotel Leela per kWh) X 1.5

10.3.4. Mitigation: Shortfalls caused by grid unavailability, DISCOM load shedding, or Force Majeure events shall be normalized based on logged data from the SCADA system and excluded from penalty computations. The bidder shall be responsible for providing the actual data duly certified by them.

10.4. Force Majeure Clause

- **10.4.1. Definition:** "Force Majeure" means any event or circumstance or combination of events and circumstances beyond the reasonable control of either Party, which completely prevents or delays the performance of contractual obligations. This includes acts of God (floods, earthquakes, hurricanes), acts of war, riots, civil commotion, or nationwide government-mandated lockdowns.
- **10.4.2. Notice Requirements:** The affected Party shall give written notice to the other Party within **7 (seven) days** of the occurrence of the Force Majeure event, providing detailed evidence of the nature, expected duration, and direct impact on project timelines.
- **10.4.3. Mitigation & Extension:** Both Parties shall use all reasonable endeavors to mitigate the effects of the Force Majeure event. The time for performance of the affected obligations shall be extended by a period equal to the duration of the Force Majeure event via a mutual amendment.
- **10.4.4. Termination:** If a Force Majeure event continues uninterrupted for a period exceeding **90 (ninety) days**, either Party shall have the right to terminate the contract upon 14 days' written notice without any liability or liquidated damages.

10.5. Dispute Resolution and Jurisdiction

- **10.5.1. Amicable Settlement:** In the event of any dispute, difference, or controversy arising out of or relating to this contract, the Parties shall first attempt to resolve it amicably through high-level executive consultations between senior management representatives of GARUD and the Contractor.
- **10.5.2. Arbitration:** If the dispute is not resolved through amicable settlement within **30 (thirty) days**, it shall be referred to a sole arbitrator mutually agreed upon, or failing agreement, appointed in accordance with the **Arbitration and Conciliation Act, 1996** (including any statutory modifications or re-enactments thereof).

- **10.5.3. Venue & Language:** The venue and seat of arbitration shall strictly be **Ahmedabad, Gujarat, India**. The language of the arbitration proceedings shall be English.
- **10.5.4. Governing Law & Jurisdiction:** This contract shall be governed by and construed in accordance with the laws of India. Subject to the arbitration clause, the courts of **Gandhinagar/Ahmedabad** shall have exclusive jurisdiction over all matters arising out of this agreement.

10.6. Care of Work & Contractor Risk

- **10.6.1. Custody of Works:** From the commencement of work on-site until the formal handover and commissioning certificate is issued, the full care, custody, and physical security of the works, materials, structures, tools, and solar equipment shall rest solely with the Contractor.
- **10.6.2. Responsibility for Damage:** The Contractor shall make good, at their own cost, any damage, loss, or injury that may happen to the solar plant assets, tools, or the underlying rooftop infrastructure of Hotel Leela due to theft, vandalism, weather exposure, fire, or lack of proper storage and protection.
- **10.6.3. Mandatory Structural Protection:** The Contractor shall ensure that no drilling or structural modifications damage the integrity of roof. Any water leakage, punctures, or cracks caused to the roof during or after installation must be repaired by the Contractor immediately at their own expense using high-grade waterproofing treatments.

10.7. Unrestricted Site Access to GARUD Authority

- **10.7.1. Right of Inspection:** Authorized representatives, engineers, and auditors of the **GARUD Authority** shall, at all reasonable times during execution and the O&M phase, have unrestricted, free, and safe access to the site, fabrication areas, storage yards, and the rooftop installation.
- **10.7.2. Contractor Obligations:** The Contractor shall facilitate such visits, provide required personal protective equipment (PPE) for the visiting officials, and render all necessary assistance, drawings, data logs, and safety clearances requested by the GARUD Authority.
- **10.7.3. Directives:** The Contractor shall promptly comply with any safety, structural, or quality improvement directives issued in writing by the GARUD Authority during these site visits.

10.8. Interference with Hotel Operations

- **10.8.1. Commercial Sensitivity:** The Contractor explicitly acknowledges that the project site is a functioning luxury commercial hospitality facility (**Hotel Leela, Gandhinagar**). Maintaining guest comfort, privacy, visual aesthetics, and uninterrupted hotel operations is paramount.
- **10.8.2. Operational Restrictions:**
 - **Noisy Works:** Heavy civil execution, structural drilling, core cutting, or heavy machinery movement that generates noise above normal ambient levels shall **only** be executed during pre-approved, non-peak hours designated by the Hotel Management. No loud work is permitted during night hours.

- **Labor Movement:** The Contractor's labor force, technicians, and supervisors must wear mandatory high-visibility vests and ID badges, and utilize designated service entryways and freight lifts only. Movement through guest-facing lobbies, lawns, or common public areas is strictly prohibited.
 - **Debris & Aesthetics:** Storage of materials must be restricted to designated, concealed staging zones. No construction waste, packing wood, or electrical debris shall be left visible from guest room windows or public viewing areas. The site must be swept and cleaned daily.
- **10.8.3. Operational Violations:** Any breach of this clause resulting in verified guest complaints or disruptions to hotel infrastructure (such as unannounced power shutdowns or damage to common utilities) will attract an immediate penalty of **₹25,000 per incident**, alongside a temporary work stoppage until corrective safety/operational boundaries are restored.