

Annexure-VIII

Contract Labour Engagement Guidelines

This document aims at providing clarity for the contractor in ensuring statutory compliances in the deployment of contract labour at Adani Group worksites. It is imperative that the Contractor ensures strict compliance with all relevant laws governing the deployment and engagement of manpower. Additionally, the Contractor must adhere to any additional requirements set forth by the Principal Employer in this regard.

Scope: All third-party deployments in Adani Group worksites are considered as Contract Labour Deployment. The contractor and its subcontractor are obligated to follow the laws specific to the state in which the scope of work is being carried out, including the state where the site or project is situated. Compliance requirements related to HR functions are detailed below:

1. **Contractor's Supervisor:** Before commencing work, the Contractor must appoint an experienced and competent Supervisor or Manager as a Single Point of Contact (SPOC) between the Contractor and the Principal Employer. Their primary role will be the supervision, leave management and monitoring of contract workmen. They will also be responsible for ensuring the discipline and productivity of the workmen and ensuring compliance with the applicable labour statutes for the deployment of contract labour.
2. **Mandatory Attendance:** The Human Resource Manager or authorized representative of the Principal Employer will have the right to hold regular meetings with the Contractor at the site or any other designated location to ensure the smooth performance of the Scope of Work and statutory compliance. The Contractor will be required to attend such meetings. Only in exceptional circumstances can they delegate their representatives to attend such meetings.
3. **Training:** The Employer may offer formal training courses to the Contractor's designated workmen, including supervisors, based on the job requirements. The Contractor should ensure that their workmen attend all such training courses provided by the Employer.
4. **Restriction on Retaining Personal Documents:** The Contractor is prohibited from confiscating or withholding any valuable items belonging to their workmen, such as identity documents, travel documents, work permits, educational certificates, or any other personal documents.
5. **Registration & Licenses:** The Contractor must possess valid registration numbers and/or code numbers to provide social security benefits to its workmen, including Provident Fund, ESI/EC, Labour Welfare Fund, BOCW, CLRA, ISMW, and other social security benefits as applicable. These requirements apply regardless of the minimum number of workmen. The Contractor and its subcontractors must also obtain all necessary licenses from relevant government authorities to carry out the Scope of Work. Before commencing work on the site, the Contractor must submit all licenses, registration numbers, or code numbers to the Principal Employer. Failure to obtain and submit the required licenses, registration numbers, or code numbers

may result in the Employer denying access to the site for the Contractor and their workmen until the necessary documentation is provided. Any delays in completing the Scope of Work and any fines imposed by statutory authorities or liquidated damages imposed by the Principal Employer as a result of such delays will be borne by the Contractor.

6. **Reimbursement:** If the Principal Employer is required to pay any labour or statutory fees on behalf of the Contractor to the Government Authority, including contributions for ESI, EC/WC, provident fund and other applicable statutes, the Contractor must reimburse these charges to the Principal Employer within seven (7) days from the date they were due. Refer 28(D) for your reference.
7. **Minimum wages & Other payments:** The Contractor must ensure that all workmen deployed by them or through any subcontractors are not paid wages lower than the minimum wages set forth under applicable laws. Additionally, the Contractor must provide all benefits mandated by applicable laws, such as statutory bonus, gratuity, and annual leave with wages, within the specified timeframe or within seven (7) days from the workmen's last working day, whichever is earlier.
8. **Wage disbursement:** The Contractor shall pay salary/wages to their workmen on or before the seventh (7th) day following the conclusion of the wage period or the end of the service period for which the payment is due.
9. **Statutory Remittances:** Contractor and sub-contractor, as the case may be, shall pay the remittance of employer and employee contribution towards PF/ESIC/PT/MLWF within statutory due and produce copy of remittance of proof and for company's verification.
10. **Unauthorized Deductions:** The Contractor shall not, directly, or indirectly, deduct salary or wages, discontinue schemes, or reduce benefits available to its workmen due to any liability that the Contractor may have in respect of any charges payable under applicable laws. The Contractor shall, at all times, act in good faith with their workmen.
11. **Reimbursement of Fines or Penalties:** If the Principal Employer is fined or penalized by any Government Authority due to the Contractor's failure to meet its obligations under the applicable laws, the Contractor must reimburse the dues to the Principal Employer within seven (7) days of the imposition of such charges. Failure to do so gives the Employer the right to deduct the amount from Running Account Bills or retention deposit/ monthly bills.
12. **Prohibition of Unlawful Activities:** The Contractor must ensure that workmen engaged by them refrain from indulging in any unlawful activities at the Site, such as illegal stoppages, strikes, or violence. Prompt communication and consultation with the Principal Employer are required in case of any such incidents involving the Contractor's workmen. It will be the contractor's responsibility to take disciplinary action against workmen who have engaged in the unlawful activities.

13. **Mandatory Reporting to Principal Employer:** The Contractor shall regularly report to the Principal Employer any issues pertaining to their workmen regarding industrial relations and disciplinary issues.
14. **Recovery of Damages:** If any of the outlined requirements are violated, the Employer reserves the right to deduct direct losses and impose liquidated damages on the Contractor per violation. These damages can be offset from any payments owed to the Contractor.
15. **Compliance with Contract Labour Management System:** The Contractor must adhere to the guidelines of the workforce management solutions software, as mandated by the Principal Employer, which includes bill verification. As part of this compliance and for the benefit of its workmen, the Contractor must:
 - a. Sign up for the workforce management solutions software.
 - b. Commence the process of creating Entry Pass at least 7 days prior to a contractor's onboarding or no later than Day 1 of onboarding.
 - c. Regularly update the software with the details of workmen such as qualifications, skills, contact numbers, departments, shift patterns, locations, bank account information etc. In case of new hiring, PF account number, universal account number and IP number.
 - d. Input information regarding statutory requirements, including ESI, PF, minimum wages, labour licenses, ISMW licence and workman/employee compensation.
 - e. Provide training for users of the software.
 - f. Ensure adequate labour coverage for each shift to guarantee the availability of the right talent.
 - g. Record attendance and track the time and activities of workmen and subcontractors in the software.
 - h. Strictly adhere to the Employer's requirements for management tools and software to ensure efficient contract labour management.
 - i. In case of forged punching, which is considered as breach of contract and will be dealt with strict action which may include termination of contract.
 - j. Cancel Entry Passes once a contract workman is terminated and return the cancelled entry pass to the security department.
16. **Police verification:** It is obligatory for the contractor to conduct police verification of his contract workmen before deployment. To be done by the Security Department which is a must.
17. **Medical Check-up:** It is obligatory for the contractor to conduct pre-employment medical checkups of his workmen before deployment. Subsequently yearly health check-up also to be conducted by the contractor for all contract labours, as per requirements.
18. **Sub-contractor:** If the subcontractors fail to meet their obligations, the contractor will be held responsible for ensuring compliance. In the event of any discrepancies between the requirements outlined in this document and those specified by the principal employer in other documents, the terms stated herein will take precedence.

- 19. Inspection and Audit:** The contractor or their representative shall be present for the internal and external audits as prescribed by the HR Manager/Statutory authorities. Compliance documents and records required for these audits/inspections must be provided promptly. Non-compliances identified in the audit/inspection, kept open or continued after completion of 30 days (or statutory timeline, whichever is earlier) from the date of audit/inspection, will attract penalties as specified in the clause 23 of this contract.
- 20. Prevention of Sexual Harassment:** All contractors having 10 or more workmen need to have the prescribed committee & policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Also, all contract workmen at our site must be trained by the contractors about the existence of the Internal Committee (IC)/Policy. They should be given at least one POSH awareness session annually. The contractors are also requested to file annual return to labour authority as well district officer.
- 21. Accident reporting:** The contractor must complete all necessary formalities and submit required documents to relevant authorities and insurance companies in the event of any mishap, accident, or fatal incident. This must be done within the specified timeframe to avoid legal liability.
- 22. Safety Guidelines:** The contractor shall ensure that all his workmen are adhering to the policies and procedures related to safety, health, and working conditions at the workplace before deployment by providing them with necessary personal protective equipment (PPE). Mandatory safety induction training classroom & On the Job training to all contract workers with valid permit to work.
- 23. Penalty:** In case of any violations related to the labour & statutory as stated above in a financial year, the penalty can be imposed in the below-mentioned ways:
- A. Deduction of 3% of the monthly invoice value: in case of first violation
 - B. Deduction of 5% of the monthly invoice value: in case of second violation
 - C. Deduction of 10% of the monthly invoice value: in case of third violation
 - D. More than 90 days of delay in complying or repeated non-compliances to fair labour practices can lead to the termination of the contract.
- 24. Recovery of Offences / Damages / Penalties / Interest:** In case we receive notice of any recoveries/penalties/damages/due remittances/interest from government with regards to your contract duration then the same will be borne by said contractor for which you are required to submit indemnity bond.
- 25. Grievance Redressal System:** The contractor needs to have a Grievance Redressal mechanism for the resolution of disputes as per Section 9C of the Industrial Disputes Act, 1947, and proof for validation should be available. Applicable Central Rule, as case may be, to be followed.
- 26. Full & Final settlement:** The contractor will do F&F (Leave/Bonus/Gratuity – Whichever applicable at the time of closure) to the workers and indemnify

company from any future liability arises against the pending statutory compliances.

27. Letter of Appointment & Deputation: During the onboarding process for contract employees, it is imperative that the appointment letter issued by the Contractor should not mention 'Adani' anywhere in it. Additionally, along side the appointment letter, a letter of deputation should be provided, outlining specific details regarding the designated place of posting. Employment Card as prescribed under the Contract Labour (Regulation and Abolition) Rules of various States/ Central Rule, as the case may be, to be followed and accordingly be issued to the concerned contract workers.

28. Contractor Onboarding and management in CLMS(KRONOS)

A. Contractor Onboarding Process:

Contracting agency on receipt of Purchase order / Service order is required to follow as below:

Contractor Agency's designated person as Contract Supervisor to approach the HR/IR of the Principal Employer.

- 1. Submit Annexure 1 – "Contractor Details" to the HR / IR**
- 2. HR will issue forms for obtaining labour license, if applicable.**
- 3. The following documents shall be required from the contractor.**
 - a. Request Letter from Contractor
 - b. Contractor undertaking for compliance as per Annexure 2
 - c. Contractor subletting declaration as per Annexure 3 (If applicable)
 - d. Copy of sub-contractor agreement if applicable
 - e. Copy of Provident Fund Registration Certificate
 - f. Copy of PAN Card & GST Registration Certificate
 - g. Copy of Labor Welfare Fund registration certificate,
 - h. Copy of Professional Tax registration certificate (Ref. Applicable State Rule)
 - i. Copy of WC/ EC Policy
 - j. Copy of ESIC Registration
 - k. Aadhaar card of the company owner or the Director
 - l. After issuing forms, the contractor will submit his application to the Licensing Officer [Respective Location] to obtain a Labour License.
 - m. Contractor will contact HR/IR department to take training for the CLMS and their login credentials.
 - n. The contractor shall onboard the contract workmen as per CLMS manual.
 - o. Upload all the required documents and fill all the fields in the CLMS and follow the contract labour's onboarding procedure through system only.
 - p. Contractor will submit Labour License issued by the Licensing Officer to the HR/IR department and the required form to the Licensing Officer (Ref. State/Central Rule, as the Case may be,) for commencement/completion of the job/service.

B. Contractor obligation related to workforce management in CLMS(Kronos):

1. Contractor shall ensure that the Shift schedule of workers is managed / maintained in accordance with Site Engineering in-Charge's instructions and ensure that weekly off is given (Same employees should not be deployed in multiple work orders on his week off / or on Holiday).
2. Contractor shall ensure regularization of attendance of workers through Punch Exception Report **every month before salary processing.**
3. The validity of the Entry Pass of onboarded worker shall be the least of the validity date of the below three.

- a. Service Order/Work Order/Purchase Order validity.
- b. Labor License as applicable validity
- c. Employee compensation / Workmen compensation policy validity
4. Contractor shall duly renew the key documents as applicable and ensure the renewal is made in accordance with Kronos manual.
5. Contractor shall abide by the laid-out site security requirements like
 - a. Safe upkeep of access cards
 - b. Duly report the loss of cards
 - c. Handover of access cards while the contract is complete.
6. Contractor shall duly initiate cancellation of entry pass in Kronos if the workmen has left his agency or the tenure of contract is over.
7. Contractor shall always ensure the correct designation and Adani reporting engineering in-charge are mapped in system.
8. Contract shall understand and ensure that the CLMS shall be maintained with wage master (CTC breakup) of worker.
9. Contractor shall update the wage master post revision of minimum wage notification.

C. Monthly Billing/ Invoice submission and digital check list in Kronos

Contractor shall raise monthly invoice and upload the following Monthly Compliance documents in CLMS as per the applicable rules.

i. Employee Register

- ii. Wage Register
- iii. Register of Recovery/ deduction/ Fines OT
- iv. Muster Roll
- v. PF ECR (Electronic Challan cum Returns)
- vi. PF TRRN
- vii. Payment Confirmation Receipt
- viii. PT Challan
- ix. Bank Statement (For Salary Payment Proof)
- x. Leave Register
- xi. Employment card (for new joiner submit once)
- xii. Service Certificate (for ones who have left)
- xiii. Form 11 (PF Act) (if applicable)
- xiv. Wage slip

D. Monthly Invoice processing procedure.

1. Every invoice should be routed through HR/IR department for compliance.
2. Verification of monthly compliance documents by HR/IR department and will forward the certified invoice to Central CAD.
3. If Vendor not complied, then HR Department will inform the same to Central CAD.

E. Quarterly / Half yearly / Yearly compliance:

1. Copy of FORM ER1 (Employment exchange) to be submitted by the contractor: Quarterly & biannually in ER-II
2. Labour Welfare Fund Receipt: Half Yearly with applicable form.
3. Notice of Opening in the applicable Form and Statement regarding Contribution in the applicable form (Half yearly) (Ref. Applicable State Rules)
4. Bonus register C & D: Yearly (Ref. applicable State Rules)

5. Consolidated Annual Return/Half Yearly Return: Yearly (Refer Central Rules)
6. Professional Tax (If applicable)

F. Termination / End of Contract

1. Contractor shall submit following documents to the Licensing Officer for getting the form as applicable Central Rules.
2. NOC from user department
3. Undertaking by Contractor Indemnity Bond
4. License Copy

[Note: Refer the state rules while administering various forms]

29. Compliance Checklist

S. No	DOCUMENT REQUIRED	Frequency
1.	COPY OF LABOUR LICENSE/RENEWED LICENSE	ONCE/RENEWAL
2.	COPY OF WORK ORDER	ONCE/RENEWAL
3.	ESI/EC POLICY WITH SPECIFIC NAME OF PRINCIPAL EMPLOYER WITH PROPER RISK LOCATION NAME & SUB-CONTRACTOR COVERAGE, CATEGORY OF WORKERS, NO. OF WORKERS COVERED, WORK AT HEIGHT, ETC.	ONCE/RENEWAL
4.	PF CHALLAN	MONTHLY
5.	PF ECR	MONTHLY
6.	PF PAYMENT RECEIPT – TRRN RECEIPT	MONTHLY
7.	PAID RECEIPT FOR LABOUR WELFARE FUND	JUNE & DEC
8.	ER – I & CNV Form	MARCH-JUNE SEP-DEC
9.	CONSOLIDATED ANNUAL RETURN	DECEMBER/APRIL
10.	EMPLOYMENT CARD (FORM NO 14) Under CLRA Act	MONTHLY, OF EVERY NEW JOINERS
11.	REGISTER OF EMPLOYEE / WORKER UNDER APPLICABLE RULES	MAITAN REGISTER
12.	WAGE REGISTER UNDER APPLICABLE RULES	MONTHLY
13.	LOAN RECOVERY / ADVANCE REGISTER UNDER APPLICABLE RULES	MONTHLY
14.	ATTENDANCE REGISTER UNDER APPLICABLE RULES	MONTHLY
15.	LEAVE REGISTER UNDER APPLICABLE RULES	MONTHLY
16.	WAGE SLIP UNDER APPLICABLE RULES	MONTHLY
17.	BANK STATEMENT	MONTHLY
18.	PROFESSIONAL TAX REMITTANCE CHALLAN	MONTHLY
19.	UNPAID WAGE REGISTER UNDER APPLICABLE RULES	IF SALARY IS ON HOLD OR F&F
20.	BOCW REGISTRATION CERTIFICATE AND BOCW CESS APPLICABLE AS PER SERVICE ORDER T&C	ONCE
21.	INTERSTATE MIGRANT LICENSE	ONCE
22.	GRIEVANCE REDRESSAL COMMITTEE EMPLOYING 20 OR MORE WORKMEN	ONCE
23.	INDEMNITY BOND BETWEEN CONTRACTOR AND SUB-CONTRACTOR IN CASE OF CONTRACTOR ENGAGES SUB-CONTRACTOR	ONCE
24.	COMPLETE POLICE VERIFICATION	ONCE

Annexure 1: Contractor Details

Details of Contractor

Vendor Code : _____

Type of Contract : AMC / On Call / Others/ SLA / Non-SLA

1, Name of the Firm / Company:

Owner / Head of the Company _____

(Name, Designation: _____

& Contact number): _____

Address _____

Contact Number _____

Email Address _____

2. Site In charge Details: -

Name _____

Site officer Address _____

Phone number (Office): _____

Resident Address of Site in Charge: _____

Mobile number _____

Email Address _____

3.Engineer in Charge: _____

4. Name of Supervisor/s: _____

5. Nature of Work : _____

6. Area of Operation/Work: _____

7. Work Order Number/s

Validity: From _____ To _____

Date commencement: _____

8. PF Code Number _____

9. Employee Compensation Policy: _____

Insurance Company : _____

Date of Issue _____

Validity From _____ To _____

Number of Workers Covered (Trade wise): _____

Sign & Stamp: _____

Name: _____

Designation: _____

Annexure 2: Contractor Undertaking for Compliance

Details of Registration and License

PF code Number: _____

Date of validity of ESI/EC Policy: _____

No manpower in ESI/EC policy: _____

This is to confirm that I/ We, M/s _____ has been briefed about the company requirement and details we are agreed complied in due course of time.

Further to this we will ensure all the monthly compliance to be fulfilled on time without any reminder to fail which Company is free to take any action against us which may include penalty and termination of contract.

Signature of Contractor _____

(Name and Designation) _____

Enclosure: Annexure 1 – Human Resource requirement.

Annexure 3: Contractor Subletting declaration

To,

Adani Entity

Address

Location

Dear Sir,

Sub: Undertaking Letter for Sub- Contracting

This is to inform you that we have been awarded a work order towards rendering services of _____ (Adani Entity)

This is to inform you that we have outsourced/ subcontracted the captioned services to

We, further wish to inform you that our sub-contractor M/s has been complying with the provisions of PF/ESI / Employee Compensation / P.Tax / Bonus / Factories / Minimum Wages / Contract Labour Act / ER / LWF / other applicable legislations.

LWF/ Bonus/ Leave/ Wage Compliance records shall be in our company's name and the PF/ ESIC/ EC/ P. Tax/ Compliance documents shall be in the name of our sub-contractor & all compliances are being submitted by us and in case any liability arising out of Non – PF/ ESIC / P. Tax / LWF/ Bonus/ Leave/ Wage Compliance shall be discharged by us in present as well as in future.

In case we fail to submit the necessary documents, you may kindly hold the full 100% payment and release the same only after we submit the compliance papers.

Thanking you,

For

Proprietor / Director / Authorized Signatory

Annexure 4: Letter of Indemnity for the contractor

Sub: Letter of Indemnity by the Contractor for Claims by the Contract Employees

The Contractor hereby agrees to indemnify and hold Adani Group, its affiliates, officers, directors, and employees (collectively referred to as "Adani") harmless from any and all claims, demands, actions, suits, proceedings, costs, expenses, including but not limited to employment-related claims & claims arising out of Employee Compensation Act, 1923, conciliation, arbitration, litigation expenses, advocate fees, and any other incidental expenses arising from past, present, or future claims by the manpower deployed by the Contractor, either directly or through a sub-contractor. This indemnity includes expenses arising out of the final outcome of conciliation proceedings, court orders, or arbitration decisions. The Contractor shall bear full responsibility for addressing and settling any such claims, and this indemnity extends to Adani for any liabilities, losses, or costs incurred as a result of the said claims. The Contractor further agrees to promptly notify Adani of any claims or legal proceedings and to provide all necessary cooperation in the defence of such claims. This indemnity clause shall survive from inception to the termination or completion of the contractual relationship between the Contractor and Adani as per the agreement dated ____

For [Contractor Name]

Name & Sign of Authorised Signatory