

Covid-19 Situation

THINGS TO DO FOR CONTRACTORS

Covid – 19 Situation

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- ▶ Whether Covid-19 situation be qualified under “Force Majeure”?
 - ▶ Wordings in definition like “cannot be reasonably avoided” and “beyond parties control” may need to be analysed carefully.
 - ▶ This may be difficult in countries/ areas where explicit directions of lockdown/ work stoppage has not been issued by Govts.
- ▶ Other relevant contract clauses to be looked into:
 - ▶ Change in Law
 - ▶ Unforeseen Conditions

Measures To Be Taken By Contractor During Covid-19 Situation For Minimising Impact

- ▶ Record all related Govt notifications (Issued by Central Govt, State Govt, District Administration, any other LEAs)
- ▶ Details of available manpower and machinery to be submitted to customer on daily basis.
- ▶ Check if losses can be covered under Insurance Policies
- ▶ Analyse and record impact on supply chain.
- ▶ Record each cost & time impact due to higher HSE requirement.
- ▶ Evaluate higher risks of workers while working closely.

Measures To Be Taken By Contractor During Covid-19 Situation For Minimising Impact

- ▶ Evaluate decrease in productivity due to increased compliances.
- ▶ Look for aids/ supports extended under various Govt. relief packages.
- ▶ Request customers for restructuring of Billing Breakups
- ▶ Look for possibility of getting BGs and Retention amounts released for the work done.
- ▶ Many governments are cancelling/ putting in dormant all non-essential projects. Check for the status of your project.
- ▶ Speak to all vendors and suppliers for issues they are facing and take estimate of damage/ changes/ increased costs.

Thank You