

Schedule 29: Agreement on the Terms and Conditions for the Contract Employee

A. Agreement

This agreement is executed on.....(dd/mm/yy) between the NHDCL. Hereinafter called the employer and Mr./Ms.....hereinafter called the employee whose particulars are given below:

Whereas the employer desires to engage the services of the contract employee on the terms and conditions hereinafter set forth; and

Whereas the contract employee is ready willing to accept this engagement of the service with the government of Bhutan on these terms and condition.

B. This agreement is executed under the following conditioned to be abided the employer (NHDCL) and Employee (Name of the person)

Position Title and General

1. The employee shall be appointed to the position of(**Position Title**) under(Name of department/division) and agrees to undertake the tasks and responsibilities as indicated in the job description for the position as presented in **Attachment A (Job description of the position should be written)**.
2. The employee shall be transferred to any location in the interest of employer and responsibilities assigned by the employer. The employee shall be given minimum time as per the **Service Rules ofNHDCL or as per the exigency** of such transfer.
3. The employer may, at its sole discretion, require the employee to perform additional or other duties, not within the scope of the employee's normal duties and may, at it's discretion, alter the responsibilities of the employee at any time.

4. The employee must comply with all reasonable directions given to him and observe all policies, procedures and rules of the employer that are in place or as may be introduced and/or amended from time to time.
5. During the normal working hours and at such other times as may be reasonably required, the employee shall devote the whole of his time, attention, skill and abilities to the performance of his duties under this contract and shall always act in the best interest of the employer. The employee shall not undertake any work or employment, other than that of the employer, during his hours of work.
6. Outside the normal hours of work, the employee shall not be entitled to be employed by, work for, and/or be engaged by other parties without a prior written consent of the employer.

Duration

7. This agreement shall be for a period of(**Mention the duration**) commencing on

Probation

8. The employee shall complete a probation period of **6 (SIX)** months after which period the employee shall have permanent status for the remaining duration of the contract.

Pay and Benefits

- 9 The employee will be paid salary of(**Lump sum/basic + pay allowances**).
- 10 The employer shall deduct from the employees monthly pay government taxes and other payments required by law, or as agreed between the parties. The total deductions, however, shall not exceed 50% of the employee's monthly pay.

11 The employee shall not be entitled for payment of gratuity, transfer TA and baggage charges if the contract is terminated without completing the duration of the contract.

12 The employee is entitled to receive mobile allowance of Nu.....per month.

Hours of Work

13 The employee shall be required to work a maximum of 8 hours per day on weekdays and 4 hours on Saturdays as per the normal working hours of NHDCL.

14 The employer may require the employee to work such additional hours as may be necessary or appropriate from time to time to carry out his responsibilities properly and effectively.

15 No overtime shall be paid as per the NHDCL service rules.

HR Events

16 Based on the requirements and discretions of the employer, the employee may be sent for short-term HR events like short courses, workshops, seminar, conferences, exhibitions, meetings, et cetera.

17 If nominated for any HR event, the employee has to go through the relevant processes in place for HR events like submission of documents, signing the bond, et cetera.

18 The obligations under the bond shall be treated as fulfilled if the employer decides not to renew the contract or if the contract is terminated by the employer before the term expires.

Bonus & Incentives

- 19 The employee shall be admissible for bonus or performance based incentive schemes as per **Service Rules of NHDCL in place or as approved by the Board** from time to time.

Leave, Travel and Rest

- 20 The employer shall provide the employee rest and meal breaks in accordance with the provisions of the **Labour and Employment Act, 2007**. Such breaks, however, do not count as part of standard working hours.
- 21 The employee shall be entitled for all types of leave as per the **Service Rules of NHDCL** except for **Study Leave, Compensatory Leave and Extra Ordinary Leave** under **Chapter** **Section** of **Service Rules of NHDCL** respectively which shall not be admissible.
- 22 The employer shall pay travel expenses to the employee for travel costs incurred in the performance of the employee's tasks and responsibilities, such payment may be made by way of advance and settled at the end of the travel/tour in accordance with the employer's procedures.
- 23 The employer shall pay the employee a DSA allowance of **Nu.** per day equivalent to (Specify **Grade**) when the employee is required to travel in the performance of the employee's tasks and responsibilities.
- 24 The employer shall pay to the employee the sum of **one month's lump sum salary** plus other entitlements as covered in **Chapter 6 –Transfer rule** of **NHDCL** in the event the employee has to proceed on transfer during the course of the employment.
- 25 The employee shall not be entitled for DA during the period on transfer.

- 26 The employee shall be eligible to receive **Leave Travel Concession (LTC)** as per the **Service Rule of NHDCL** and subject to the ceiling fixed from time to time through amendment of the service rules
- 27 The employee is entitled to en-cash his unused leave as per the **Leave Rules of NHDCL**.

Safety and health

- 28 The employer shall provide a working environment that is safe and not harmful to the health of the employee and assumes prime responsibility for all safety and health matters in the place of work. The employee agrees to cooperate with the employer to ensure the working environment is as safe and healthy as is reasonably possible.
- 29 The employer agrees to provide the employee with all necessary protective clothing and equipment associated with the employee's duties and responsibilities, without cost to the employee.
- 30 The employer agrees to compensate the employee for any injury or disease attributable to the performance of his or her duties and responsibilities under this agreement, or in the event of death of the employee due to work or work related circumstances, to compensate the employee's dependants and beneficiaries. Such compensation shall be payable according to the provisions of the **Labour and Employment Act 2007 and its regulations**.

Provident fund, pensions and gratuities

- 31 Subject to the existing rules and the rules that may be framed by the **National Pension and Provident Fund**, the employee shall be entitled to **National Pension and Provident Fund (NPPF) scheme**. The employer shall contribute to employee's PF as per the **Service Rules of NHDCL** and the **NPPF rules**.
- 32 The employee is entitled to participate in the **Group Insurance Scheme (GIS)**

- 33 The employee shall be entitled to gratuity of **Lump sum salary as per the clause 9 without contract allowance**. Eligibility and quantum of gratuity shall be as per the provisions of **Service Rules of NHDCL**

Contract Renewal

- 34 The employer shall notify the employee at least one month before the expiration of this agreement whether the services of the employee will be required. In the event of the intended re-engagement of the employee, the terms and conditions of employment, including the duration of the contract, shall be as agreed between the parties.
- 35 The contract renewal shall not be automatic and the employer reserves the right not to renew the contract if the employee is found to be unsatisfactory or underperforming or services rendered by the employee becomes redundant.

Notice and Termination of Contract

- 36 The parties agree that this contract can be terminated by mutual agreement by either party giving a minimum of **one month notice during the probation period and two months notice after completion of probation**, with the parties' respective rights and obligations on termination, including those applying to situations of dismissal due to gross misconduct, as provided in the **Labour and Employment Act. 2007**.
- 37 Failure to give notice with adequate time as subscribed in **clause 34**, the party terminating the contract shall pay the other one month's **lump sum salary with contract allowance** of the employee in lieu of the required notice.
- 38 The employer reserves the right to terminate the contract without notice or salary in lieu of notice in appropriate circumstances. Appropriate circumstances shall include, but are not limited to; situations of gross misconduct, conviction by a court, gross incompetence, strong evidence of corruption and/or gross negligence. Depending upon the severity of the case, the employer may forfeit the gratuity becoming payable to the employee.

39 One month salary will be deducted from the amount payable to employee if he/she resigns before six months from the date of joining to compensate the expenditure in connection with his appointment.

Amendment

40 The terms and conditions of this contract shall be amended, if required, by a written amendment signed by both parties. Such amendment shall become effective only upon signing or on any other date as the parties agree in writing.

Interpretation and Definition

41 The headings to the clauses are for convenience of reference only and shall not affect the meanings or construction of anything contained in this contract.

Conduct, Loyalty and Confidentiality

42 The employer agrees to respect the rights of the employee as set out in the Constitution and laws of Bhutan, in this agreement and the **Service Rules of NHDCL**, and to treat the employee fairly and with respect and dignity.

43 Except in the proper performance of duties, the employee shall not, at any time, use copy, disclose, communicate and/or publish or enable or cause any person or become aware of and/or use, copy, disclose, communicate and/or publish confidential information which the employee receives or obtains during the course of or as a result of his employment with the employer. Exception to this clause may be made by the employer in writing.

- 44 Except in the proper performance of duties, the employee shall not, either during his employment or after its termination, disclose or communicate any confidential information and business secrets of the employer or make any statement or give any interviews in relation to the employer or any of its employees without the consent of the employer.
- 45 The employee shall obey, observe and comply with all lawful orders, instructions and directions of the employer and observe all rules, regulations and instructions in force in respect of the employer.
- 46 The employee shall, whenever required by the employer and in any event on the termination of employment, promptly return to the employer all properties belonging to the employer in employee's possession, custody or control. The employee acknowledges and agrees that, on termination of his employment, he shall not be entitled to retain and shall not retain any property of the employer.
- 47 The employee shall be governed by the rules given in **Chapter 7 Conduct and Discipline of the Service Rules of NHDCL**.
- 48 The employee declares that all information, documentary evidence, including educational qualifications and medical reports, references, employment history and other documents relied upon by the employer in entering into this agreement are to the best of the knowledge of the employee correct, complete and verified, as appropriate. The employee further agrees that non-disclosure or withholding of material information that would otherwise have resulted in the employer not entering to this agreement shall result in this agreement being null and void and may, at the discretion of the employer, lead to prosecution under the Penal Code of Bhutan.

Rights and Liabilities of the Employee

- 49 Rights over all products/research papers/methodology and all intellectual property rights created by the employee due to and/or during the course of his employment shall belong to the employer.
- 50 The employee shall be solely liable for all third-party claims arising from the employee's own negligent act, commission or omission in the course of his employment under this contract. Under no circumstances shall the employer be held liable for such third – party claims.
- 51 The employee shall be responsible to clear and resolve pending accountability in his name for pending audit memos and any other issues such as legal or financial matters related to the tasks during his tenure as an employee of NHDCL. This clause shall apply until such matters remain unresolved / cleared even after the completion of his employment with NHDCL.

Governing Law and Jurisdiction

- 52 This contract shall be governed by and interpreted in accordance with the Laws of the Kingdom of Bhutan. Any dispute regarding the rights, obligations and liabilities of the parties arising out of the terms and conditions of this contract shall be settled amicably and in good faith. Upon failure to resolve the dispute amicably, it shall be forwarded to and settled in a court of competent jurisdiction in Thimphu.

IN WITNESS WHEREOF the parties have caused this contract to be executed in Thimphu on the day and year above mentioned in the presence of their respective witnesses.

Signed by for the employer

Name:

Designation:

Name of the Employer:

Place: Thimphu

Signed by the employee

Name:

CID No.

Place: Thimphu

Witness for the employer

Witness for the employee