

**MODEL TENDER NOTICE FOR LABOUR CONTRACTS**

**Bharat Heavy Electricals Limited**  
Ramachandrapuram :: Hyderabad – 32

**TENDER NOTICE**

Name of the department : HEAT EXCHANGERS & FABRICATION SHOP  
Tender Notice No : HY/HEF/SP/BC/TD/2014-15

Date:28.08..2014

1. Bharat Heavy Electricals Limited, a Government of India Public Sector undertaking having its Registered Office at Siri Fort, New Delhi. BHEL Ramachandrapuram, one of its manufacturing Units, invites sealed tenders in two part bid from eligible /Contractors, who fulfill qualification criteria as stipulated in NIT, for the works, "**Back-Chipping Work in 06Shop for 2014-15**".
2. Sealed quotations in single cover consisting of two inner sealed covers (containing Technical bid as Part A and Price bid as Part B super scribing the Tender Enquiry No., Name of work, Contractor name & address will be received at this office Up to 11.00 AM on or before 11.09.2014 at vendor complex, beside administrative building, BHEL Ramachandrapuram. Technical bid will be opened at 1.30 PM on the same date and further information if any, may be obtained from the office.
3. The tender documents are also available in the Web Site of BHEL [www.bhel.com](http://www.bhel.com). Those who wish to download the same may do so. While submitting the tender documents, a demand draft/cash paid at BHEL cash office towards cost of tender document should be enclosed. The tender documents downloaded from the website without demand draft for the specific value will be summarily rejected. Corrigendum if any will be published in BHEL web site only. The brief scope of the work and information is provided below:
4. The salient features of the tender documents are as follows :
  - 1) Notice inviting Tender
  - 2) Instruction to Tenderer
  - 3) General terms and conditions
  - 4) Duties and Responsibilities of Contractor
  - 5) Manpower
  - 6) Contract Work description
  - 7) Pro-forma for offering technical bid
  - 8) Special terms and conditions of Contract
  - 9) Price Bid Format
  - 10) Declaration by Contractor
  - 11) Period of contract
  - 12) Failure to comply with contract
  - 13) Payment to Contractor
  - 14) Sub-contract
  - 15) Statutory requirement
  - 16) Copy of agreement between BHEL & Contractor

5. A set of tender documents (non-transferable) may be purchased on any working day (Monday to Saturday) between 09:00 hrs to 12:00 hrs from Heat Exchangers & Fabrication Shop, Shop-Planning Dept, BHEL-HPEP, RC PURAM, HYDERABAD-32 by paying the prescribed Tender fee of Rs.2000/- only in the form of cash in the Cash Counter of BHEL, /RC Puram or crossed Demand Draft in favor of "BHEL-RC PURAM, HYDERABAD-32".
6. In case, tender documents are requested by post, BHEL-HPEP shall not be responsible for any delay due to any reasons (including postal delay) either in receiving the Agency's request nor receipt of tender documents by the Agency.

**(Signature & Designation of Official)**

**CONTENTS**

<b>SL. No.</b>	<b>Description</b>
1.0	Notice Inviting Tender
2.0	Prequalification requirements
2.1	Instructions to Tenderer
3.0	General terms and conditions
3.1	Eligibility Criteria
3.2	Earnest Money Deposit
3.3	Security Deposit
3.4	Statutory Requirement
3.5	Manpower
3.5.A	Safety
3.6	Period of Contract
3.7	Failure to comply with Contract
3.8	Payment to the Contractor
3.9	Sub-contracting
3.10	Laws governing the Contract
3.11	Legal Jurisdiction
4.0	Duties & Responsibilities of Contractor
5.0	Contract Work Description – Schedule “A”
6-A	Pro-forma for offering Technical bid
6-B	Special Terms & Conditions of Contract
6-C	Pro-forma for Price Bid
7.0	Declaration by Contractor

## 1.0 NOTICE INVITING TENDER

Sl. No.	Tender Notice No.	Name of the work	Approx. Estimated Value of work (in Lakhs)	Earnest Money Deposit (EMD) (in Lakhs)	Period of Contract (Months from Date of Award)
1	HY/HEF/SP/BC/TD/2014-15	Back Chipping	119.61	2	10

Sl. No.:	Description	
1	Cost of tender documents	Rs.1000/-(if download from Web) Rs.2000/-(if purchased from Office)
2	Last date & Time for sale of tender documents	10.09.2014 at 14:00hrs From the office of AGM/Prodn./HE&FAB
3	Last date for receipt of tender	11.09.2014 at 11:00hrs
4	Date, time and place of tender opening	11.09.2014 at 13:30hrs , at CMM VENDOR COMPLEX, BHEL,RC Puram,HYD.
5	Any corrigendum	Tenderers are advised to watch the web site regularly

## 2.0 PREQUALIFICATION REQUIREMENTS:

The following conditions have to be satisfied by the tenderer, with documentary proof to be enclosed with tender bid (Technical):

- 1) Average annual financial turnover during the last 3 years, ending 31st March of the previous financial year (should submit balance sheet & P&L account for last 3 years – certified by Chartered Accountant), should be at least 30% of the estimated cost. Further, the tenderer fail to submit the figure (s) for 3 years, non-submitted year will be considered as “0” (Zero) for averaging the turnover. In the 3 years turnover, previous year turnover is compulsory.
- 2) Particulars of experience / credentials for the works executed of any labour intensive nature during not older than 7 years (Completion and experience certificate of the works to be enclosed) ending last day of month previous to the one in which applications are invited should be either of the following:
  - a. Three works completed/executed costing not less than the amount equal to 40% of the estimated cost of each work. **Or**
  - b. Two works completed/executed costing not less than the amount equal to 50% of the estimated cost of each work. **Or**
  - c. One work completed/executed costing not less than the amount equal to 80% of the estimated cost.
  - d. Experience certificate issued by BHEL, RC Puram in case any work executed in BHEL, RC Puram for past three years. Any adverse remarks in the experience certificate will be a disqualification factor.

- 3) "The offers of the bidders who are on the banned list as also the offer of the bidders, who engage the services of the banned firm shall be rejected. The list of banned firms is available on BHEL website [www.bhel.com](http://www.bhel.com)".
- 4) Contractor shall furnish valid ESI Code Number and PF Code Number
- 5) It is required to furnish VAT registration certificate issued by Commissioner, Commercial Taxes, AP Govt., and Service Tax registration certificate in respect of all works.
- 6) Contractor shall furnish PAN No. (In case not available, proof of having applied with acknowledgement from concerned authority) & Income Tax Assessment/declaration copy for the last three (3) year shall be enclosed with the bid (self-attested copies).

## 2.1 INSTRUCTIONS TO TENDERER

### 2.1.1 Tender is a two part bid system.

The tender documents consist of Part – A and Part - B as detailed below:

Part 'A': Techno-commercial Bid (*To be submitted in sealed cover enabling us to open on 11.09.2014*)

Part 'B': Price Bid to be submitted in sealed cover as per Tender conditions.

**Submission of tender covers for each work (separately) shall be as given below:**

- 2.1.2 Cover 'A' -for Technical and Commercial Bid (sealed cover) super scribing the Tender Enquiry No., name of work, Contractor name & address and Part – A (Techno-commercial Bid). The format for Technical and Commercial Bid is attached to the Tender Document.

Note:

- The tenderer shall not indicate the price or rate in the Part-A: Techno-commercial bid.
- If any Contractor submits combined bid i.e., Tech. Bid and Price Bid in one cover, such offer shall be summarily rejected.
- The tenderer shall expressly accept all the terms and conditions of the Tender. The tender which does not comply with the BHEL's Terms & Conditions may be rejected as Non-responsive/non-conforming and non-acceptable.

- 2.1.3 Cover 'B' -for Price Bid (sealed cover) super scribing the Tender Enquiry No., name of work, Contractor name & address and Part – B (Price Bid). The format for Price Bid is attached to the Tender Document.

Cover-C This cover shall contain sealed Cover A (Techno-commercial bid) and sealed Cover B (Price bid). The cover shall be sealed and super scribed with Tender Enquiry No., name of work and Contractor name & address.

- 2.1.4 The Techno commercial Bid (Part - A) and general terms and conditions shall be attached to Techno-commercial offer with each page duly signed by the tenderer (at the bottom of each page) as a token of acceptance.
- 2.1.5 Part 'B' – the price Bid should not carry any conditions. Service Charge % should be quoted in clear terms in the format given by BHEL.
- 2.1.6 Part 'B' Price bid will be opened only in respect of those tenderers who are qualified in Techno-Commercial Bid.

- 2.1.7 The tender forms both Part 'A' & 'B' duly filled in all respects shall be signed on each page by the tenderer. Any alteration, erasure or over-writing will render the tender invalid. Alteration neatly carried out and duly attested over with the full signature of the tenderer however is permitted.
- 2.1.8 The tenderer should submit the tender documents intact without detaching any page/ pages.
- 2.1.9 The Name of the tenderer should be written or the contractor's seal to be put on the sealed envelope.
- 2.1.10 Before making the offer, the tenderers are advised to carefully go through the terms and conditions, which form part of the Agreement.
- 2.1.11 All entries in the tender document should be in one Ink. Corrections, over writing, cuttings etc. are not permitted. All the columns in the tender form should be filled without leaving any column blank in any page of the tender. In case any of the columns is left blank, the tender would be rejected.
- 2.1.12 The Service Charge % should be quoted in figures as well as in words.
- 2.1.13 Each and every page of tender documents should be stamped & signed by the tenderer.
- 2.1.14 Tender documents consisting of Part 'A' & 'B' duly sealed in separate envelopes should be sealed in another envelope and should be deposited in the Vendor Complex, BHEL-RC Puram, Hyd-32 addressed to Senior Manager/Purchase, Co-ordn., BHEL, RC Puram, Hyderabad-32 so as to reach on or before 11:00 hrs on 11.09.14. The tender documents may also be sent either by registered post / Speed Post / Courier so as to reach on or before the said date and time. Part 'A' of tender form i.e. Techno-commercial Bid will be opened on 11.09.14 at 13:30 hrs on the same day in the presence of tenderers or their representatives who are present for the tender opening. Tenderers who qualify in the Techno-commercial Bid will be intimated to attend the tender opening of part 'B' - price bid at a date to be notified separately. Part 'B' i.e. price Bid will be opened at the specified date in the presence of the tenderers or their representative who are notified to attend the tender opening.
- 2.1.15 For any further details required, AGM/Production/HE&FAB, BHEL, RC Puram, Hyderabad-32 may be contacted in person or through Telephone Nos.040-2318 5287/2318 4116.
- 2.1.16 **BHEL reserves the right to assess the capacity and capability of the parties for pre-qualification. The company also reserves the right to accept or reject any or all the tenders or any part thereof at any stage of process without assigning any reason whatsoever. The company has no obligation to accept the lowest tender. Offer of the Tenderer if prima-facie found not comparable with the quantum of work envisaged and the bid is a desperate effort to be L1, then the offer is liable to be rejected. BHEL's decision in this regard shall be final and binding.**

BHEL reserves the right to reject the tender of bidder, who committed default and having bad track record in execution of previous contracts in BHEL. For the purpose of this clause default and bad track record means violation of labour laws (such as nonpayment of wages within time, nonpayment of ESI,PF contribution , payment of bonus) and backing out from contract after reverse auction or after receipt of LOI / entering of agreement etc.,

- 2.1.17 **PRICE BID** - The tenderers are required to submit their quotation for all the items listed in the Price Bid format given along with the tender documents. The Service Charge % should be quoted after careful study of the actual job requirement so that, in case the contract is awarded, contractor should not express any difficulty in execution of the contract.
- 2.1.18 The Minimum Wages as per statute or BHEL notified wages revised (whichever is higher) from time to time are payable. The tenderer would be required to pay allowances/incentives as decided and communicated by BHEL.
- 2.1.19 **VALIDITY OF RATES:** The rates quoted should be valid for 120 days initially from the date of opening of the Techno-Commercial bid.
- 2.1.20 The tenderer will be required to quote the Service Charge % (both in figures and words).
- 2.1.21 **REVERSE AUCTION:** BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.

In case BHEL decides to go for Reverse Auction, only those bidders who have given their acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit "online sealed bid" in the Reverse Auction. Non-submission of online sealed bid by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.

Start price for Reverse Auction will be the estimate or L1 of on-line sealed bids, whichever is less

2.1.22 **DISCREPANCY IN WORDS & FIGURE QUOTED IN PRICE BIDS:**

- i) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
  - ii) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (i) and (ii) above.
  - iii) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored
- 2.1.23 Wherever it is quantity based work, including main work and sub-work, the tenderer should quote his rates against each item /work (main as well as sub-work/item).
- 2.1.24 In case of quantity based work contracts, the tenderer should quote the rates against each item keeping in view the prevailing applicable Minimum wages / BHEL wages whichever is higher statutory payments and other payments if any and other obligations as per the statutory provisions and amendments thereto and also as directed by BHEL from time to time.

- 2.1.25 BHEL reserves the right to award the contract to one or more contractors simultaneously as deemed fit at the initial stage or during the contract period.
- 2.1.26 BHEL reserves the right to reject any bid, which is technically unacceptable and unworkable. Further, BHEL also reserves the right to reject any or all tenders without assigning any reasons thereof.
- 2.1.27 BHEL reserves the right to cancel the contract at the initial stage or during the contract period without assigning any reason to the tenderer.
- 2.1.28 Wherever prescribed formats are specified for the tenderers use, he shall use the same for making his Claims.
- 2.1.29 Tender document should be complete in all respects.
- 2.1.30 Successful tenderers shall enter into an Agreement on stamp paper of Rs.100/- for having accepted the rates, terms and conditions of the contract as per the pro-forma given by BHEL.
- 2.1.31 The Offers should be in full conformity with the terms and conditions of this tender. No contra conditions are acceptable. Incorrect and incomplete tenders are liable to be rejected. Tenders not submitted in the prescribed forms will be rejected.
- 2.1.32 BHEL reserves the right to accept or reject any tender in part or full at their discretion without assigning any reason.
- 2.1.33 If a tenderer deliberately gives wrong information in his tender or creates conditions favorable for the acceptance of his tender, then BHEL reserves the right to reject such tender at any stage.
- 2.1.34 If the tenderer indulges in any unethical practice for securing the contract, the offer of such tenderer shall be rejected.
- 2.1.35 Any written communication required to be sent to the contractor in writing shall be sent at the address mentioned on the tender form or to any other address subsequently intimated by Contractor in writing to BHEL HPEP for the contract purposes or to his e-mail address.
- 2.1.36 **SITE VISIT:**
- a. Before quoting, the tenderers are advised to inspect the site of work and its environments and be well acquainted with the actual working and other prevailing conditions, position of materials and labour related procedures & practices. They should be well versed with BHEL General Conditions of Contract, Instructions to tenderers, drawings wherever applicable and specifications and all other documents which form part of the agreement to be entered into subsequent to award of work. The tenderers shall specially note that it is the tenderer's responsibility to provide any item which is not specially mentioned in the specification or drawing, but which is necessary to complete the work
  - b. The tenderer/Bidder and any of his authorized personnel or agents will be granted permission by the BHEL to enter upon its premises and lands for the purpose of site visit. However the bidder shall express condition that he, his personnel, and agents will be responsible against all liability in respect thereof, including death or personal

injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.

- c. The Bidder should inform the BHEL at least Two days (time may be fixed in consultation with tender issuing authority) in advance about the proposed site visit. The Bidder, at his own responsibility and risk is encouraged to visit, inspect and survey the Site and its surroundings and satisfy himself before submitting his bid as to the form and nature of the Site, the means of access to the Site, the accommodation he may require, etc.
- d. In general, Bidders shall themselves obtain all necessary information. A Bidder shall be deemed to have full knowledge of the Site, whether he inspects it or not and no extra claims due to any misunderstanding or otherwise shall be allowed. The cost of visiting the Site shall be at the Bidders' own expense. Any deviations of information in the report and the actual site will not be the responsibility of the BHEL

### 3.0 GENERAL TERMS AND CONDITIONS

- 1) Contractor shall obtain Labour License (Central / State Government) before commencement of work as applicable.
- 2) In case Contractor engages labour from outside A.P. State to execute the said work, he is required to obtain license under Inter State Migrant Workmen (RE&CS) Act 1979
- 3) BHEL reserves the right to split up the work into convenient portions and award them to different contractors.
- 4) The tenderer shall keep the contents of his tender and rates quoted by him to be kept confidential
- 5) All expenses in preparation and submission of bids and visits to the office or any place in connection with the preparation of Bid shall be borne by Bidder. BHEL in no case shall be responsible or liable for these costs regardless of the outcome of the Bidding process
- 6) The bid prepared by the Bidder including all correspondence etc. relating to his offer/ bid shall be in ENGLISH language.
- 7) The tenderers must sign on all the pages of tender documents, including the NIT, which forms part of tender document.
- 8) A tender may be rejected while scrutiny of techno-commercial bid, in case there is any unsatisfactory past performance in the execution of an earlier contract.
- 9) Contractor shall follow general instructions and obligations of the Contractors as prescribed.
- 10) Contractor shall arrange Group Insurance and follow all relevant rules applicable from time to time.
- 11) The total safety of operation is Contractor's responsibility. Contractor should provide the following as per requirement to each workman and any additional PPEs as required in executing the contract.
  - a. Two pair of dresses in the beginning of the contract.
  - b. One safety helmet per annum.
  - c. One pair of shoe per annum along with two pairs of socks.

- d. Safety goggles (U.V Protective glasses). (Min.3 nos. per annum)
- e. Safety goggles for Grinders (Min. 4 No's per annum).
- f. One Hand shield per annum.
- g. One Head shield per annum
- h. One pairs of hand gloves (leather) per month.
- i. Cora cloth 1/2 Mt. per month.
- j. One soap per month.
- k. Ear Plugs (Min.12 No's per annum).
- l. Dust masks (Min.24 No's per annum).
- m. Any other relevant safety Personnel Protective Equipments.

Each PPE items should follow BHEL Safety Engineering Standards.

- 12) Supervision of Contract Workforce shall be monitored by Contract Supervisor. Contractor & Supervisor shall be available whenever required.
- 13) The Contractor is wholly responsible for any loss of life or partial disability of any of their employees while on duty.
- 14) In case of occurrence of any accident/ injury of Contractor's staff, BHEL will not pay any compensation while they are on duty and Contractor has to take care of same as a statutory obligation.
- 15) BHEL reserves the right to reject any or all tenders in part or in full without assigning any reason at any stage.
- 16) Above mentioned work shall be executed in accordance with the agreement conditions applicable to Labor works as per model contract of BHEL. A copy of the same can be had from the undersigned.
- 17) Upon awardal of the work, within 7 (seven) days the party has to execute an agreement with BHEL as per model contract before commencement of work.
- 18) Payment to the workers by Contractor to be made on or before 7th day of every month without fail through their common Bank accounts, otherwise suitable action shall be taken at Contractor's risk and cost.
- 19) Contractor has to issue wage slips to the workers before paying wages, maintain attendance, wage register and muster roll of his employees.
- 20) The quantities mentioned in the agreement schedule are worked out from the relevant data in the company and may or may not be the actual required for execution.
- 21) The company does not expressly or by implication agree that the actual amount of the work to be done shall correspond there with, but reserves the right to increase or decrease the quantity of any item or portion of the work as it deems necessary.
- 22) If there is a delay in execution of work or denial, the work shall be awarded to another Contractor on "**RISK PURCHASE BASIS**" and the extra cost incurred shall be recovered from the Contractor.

- 23) If any information furnished by the tenderer is found false at a later stage, the tenderer shall be Black listed and the existing agreement and contract will also be cancelled at the risk and cost of the Contractor.
- 24) BHEL reserves the right to short close the contract with in period of 10 months any time in the event of bad performance of the Contractor or any other reasons detrimental to the interests of BHEL.
- 25) The agencies are advised to visit the work site to understand the nature of work / quantum of work in its true perspective to avoid any complications in future.
- 26) The tenderer shall not include any additional conditions / alter conditions either in techno-commercial bid or price bid.
- 27) Contract to be closed in all respects including final measurement recording in M-Book and submitting the bills with in two (2) months from the completion time as mentioned in the tender or approved date of completion whichever is later.
- 28) If the due date of tenders opening extended because of poor response the agencies who have already submitted tender bids earlier need not submit revised tender. The original tender only will be considered for evaluation.
- 29) If there is any delay or any interruption in execution of work, Penalty will be recovered from the Contractor Rs 25,000/- per day and which is maximum upto 10% of the Contract value. In this case, provision is made for recovery of money from the contractor shall be entitled to retain or deduct the amount thereof from any money that may be due or may become due to the contractor under these presents and /or under any other contract.

### 3.1 ELIGIBILITY CRITERIA

- 3.1.1 In case the contractor is a Partnership Firm or a Company, the same should be a registered under the relevant Indian Partnership Act 1932 or Companies Act, 1956 and well established organization having at least three years existence in business consecutively for the past three years.
- 3.1.2 The Successful tenderer has to get the license from Central Labour Dept., under Contract Labour (Regulation & Abolition) Act 1970 for the areas and nature of work, which they will be performing as part of the contract.
- 3.1.3 Tenderer should have independent ESI Employer code under ESI Act 1948.
- 3.1.4 Tenderer should have independent PF code under Employee Provident Fund and Miscellaneous Provisions Act 1952.
- 3.1.5 Photocopy of letter from ESI Corp. and PF Commissioner's Office to establish that tenderer is independently registered as an employer under ESI and PF to be produced.
- 3.1.6 A Solvency Certificate from a Nationalized Bank should be produced regarding the tenderer's financial position.
- 3.1.7 The tenderer shall also mention the PAN Number issued by Income Tax Department, copy of the PAN card or PAN number allotment letter shall be submitted along with the tender documents.

- 3.1.8 There should be no litigation or charge under investigation / enquiry / trial against the Tenderer, or conviction in a court of law or suspension or blacklisting by any organization on any ground. Tenderer shall confirm this in the Declaration. During the course of work, if any such information comes to light, the contract may be terminated.
- 3.1.9 The opinion / decision of BHEL regarding the bid shall be final and conclusive. BHEL reserves the right to reject any or all the bids at any time without assigning any reason.
- 3.1.10 In case the tenderer has a relative employed in BHEL, the authority inviting tender shall be informed of this fact in writing at the time of submission of tender, failing which the tender may be disqualified, or if such fact comes to light subsequently, the contract may be terminated.
- 3.1.11 For the works which are continuous in nature, and which require regular interaction and monitoring, the contractor shall have an Office/Establishment in Hyderabad. Absence of such an arrangement may lead to disqualification of the Tenderer.
- 3.1.12 The Contractor shall have appropriate financial resources to handle the contracts. For this purpose, the eligibility of the contractor will be decided based on the Banker's Solvency Certificate provided by the Tenderer at the time of submission of Tender. The financial eligibility of the contractor will be fixed at ten times the value of the Solvency Certificate amount or 1.5 times the value of last turnover of the Tenderer, whichever is less. This eligibility will be considered on the cumulative value of all the Tenders which the Contractor participates.
- 3.1.13 In the event of any Contractor exceeding the Solvency Limit as fixed by BHEL under 3.1.12 above, while participating in Tenders floated in HPEP, it would be deemed that the Contractor does not have the requisite financial resources to execute further contracts. As such, the Price Bid (s) of such Contractor (s) in excess of the limit indicated in para 3.1.12 above, will not be opened and further participation in the tender would be treated as null and void.

### **3.2 EARNEST MONEY DEPOSIT:**

- 3.2.1 An amount of Rs.2 Lakhs/One Time EMD of Rs.2Lakhs towards EMD shall be paid in cash at BHEL cash office or by Demand Draft/Banker's cheque drawn on any nationalized bank / scheduled bank in the name of "Bharat Heavy Electricals Limited" payable at Hyderabad and shall be enclosed to the tender bid. No other means of payment shall be accepted. EMD / any money due to the tender by BHEL shall not carry any interest.
- 3.2.2 Tenders received without EMD as specified above shall be rejected. If EMD accompanies price bid, such bids shall not be considered and will be rejected. No adjustment of EMD shall be made with EMD submitted earlier with other tenders of BHEL or any outstanding amount. If EMD is not in line with amount called for, the EMD as well as the quotations will be returned and unopened to the tenderers.
- 3.2.3 EMD of unsuccessful bidders shall be returned promptly upon award of Contract and EMD of successful bidder will be returned upon the bidder's accepting the contract and furnishing the requisite security deposit.
- 3.2.4 EMD may be forfeited if after opening of tenders, a tenderer revokes his tender or increases his earlier quoted rates or after acceptance of his tender does not commence the work in accordance with the instructions of BHEL

- 3.2.5 The EMD will be forfeited if the accepted tender is withdrawn. If only a part of the work included in the tender had been awarded to the tenderer, proportionate amount of EMD will be retained
- 3.2.6 The Contractors who are having one time EMD certificate shall submit copy of the certificate towards exemption for payment of EMD for the work.

### 3.3 SECURITY DEPOSIT

- 3.3.1 Upon acceptance of his tender, the successful tenderer must deposit within the time specified in the letter of intent. Security Deposit should be collected from the successful tenderer. The rate of Security Deposit will be as below:

Upto Rs.10 lakhs	: 10%
Above Rs.10 lakhs	: Rs. 1 lakh + 7.5% of the amount exceeding Rs. 10 lakhs
Above Rs. 50 lakhs	: Rs. 4 lakhs + 5% of the Amount

- 3.3.2 The successful tenderer on receipt of letter of intent can convey his acceptance in writing for conversion of EMD into security deposit.
- 3.3.3 If the work is awarded, the agency has to pay 50% of SD in advance on contract value before commencement of work after adjusting of EMD amount.

- 3.3.4 Security Deposit may be furnished in any one of the following forms.

- i) Cash (as permissible under the Income Tax Act)
- ii) Pay Order, Demand Draft in favour of BHEL
- iii) Local cheques of scheduled banks, subject to realization.
- iv) Securities available from India Post such as National savings Certificates, Kisan Vikas Patras etc.
- v) Bank Guarantee from scheduled Banks / Public Financial Institutions as defined in the Companies Act subject to a maximum of 50% of the total security deposit value. The balance 50% has to be remitted either by cash or in the other form of security. The Bank Guarantee format should have the approval of BHEL
- vi) Fixed Deposit Receipt issued by scheduled Banks / Public Financial Institutions as defined in the companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
- vii) Security Deposit can also be recovered at the rate 10% from the running bills. However in such cases at least 50% of the Security Deposit should be deposited before start of the work and the balance 50% will be recovered from the running bills.
- viii) EMD of the successful tenderer shall be converted and adjusted against the security deposit.

**Note:** Acceptance of Security Deposit against Sl. No. (iv) and (vi) above will be adjusted to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.

- 3.3.5 Failure by the successful tenderer/bidder to deposit the security deposit amount as mentioned above within the stipulated time, which will include any extension that may be granted by the authorities, will render his earnest money deposit liable to forfeiture and his tender shall be consider as withdrawn. Security Deposit shall not be refundable to the contractor except in accordance with the terms of the contract.

- 3.3.6 The Security Deposit will be released along with the final bill or after completion of maintenance period for the work, whichever will be later, subject to the condition that nothing is outstanding against the Contractor.

### **3.4 STATUTORY REQUIREMENTS:**

- 3.4.1 While quoting the rate, the tenderers are advised to take note of minimum wages / BHEL Fair Wages / Central Govt., / State Govt., (whichever is higher) payable to workmen.
- 3.4.2 The tenderer will be required to comply with all the statutory provisions such as Bonus (% as prevailing in BHEL RC Puram), PF (12%), EDLI (0.5%), ESI, Gratuity, Service Tax and other applicable taxes, BHEL Fair Wages prevailing at the time of payment or arrears thereof, declared Holidays, leave, AP Labour Welfare Fund etc. The contractor shall submit the documentary evidence of payment on account of submission of statutory payments made to the concerned agencies every month and same may be submitted for clearance of bill.
- 3.4.3 The tenderer shall comply with the provisions of the Factories Act 1948, Contract Labour (Regulation and Abolition) Act 1970, ESI Act 1948, Employees Provident Fund and Miscellaneous Provisions Act 1952, Minimum Wages Act 1948, Payment of Gratuity Act 1972, Industrial Disputes Act, 1947, Payment of Bonus Act 1965, Employers Liability Act 1938, Inter State Migrants Workmen (Regulation of employment and conditions of Service) Act 1979 AP Labour Welfare Fund Act, and or any other Laws and Rules that may be applicable from time to time to the workers engaged by him. The tenderer, when required by the Company shall produce the registers and records for verification and comply with other directions issued by the company for compliance of the statutory provisions.
- 3.4.4 The tenderer shall fully indemnify the loss if any caused to BHEL due to any default or non-observance of any of the laws, or any omission or commission or inability on the part of the Tenderer or his representative.
- 3.4.5 The tenderer shall, keep and produce for inspection at all times, forms, registers and other records required to be maintained under various statutes in order to enable scrutiny by the Company whenever required.
- 3.4.6 The tenderer shall produce to the Company, the documentary proof of payment of the said statutory dues. Non-observance of the provisions will be construed as default by the Tenderer in making such payment, and payment of his bill will be deferred despite other legal action.
- 3.4.7 The Income tax as applicable will be deducted from the bill of the contractor.
- 3.4.8 Each tenderer will be required to maintain the daily attendance of his labours in the prescribed Pro-forma for accounting payment of wages, deduction towards ESI & PF Contributions, payment of Bonus, leave etc.
- 3.4.9 The tenderer will have to follow the provisions of Payment of Bonus Act 1965 and Rules 1975, and is liable to pay Bonus to his workers. Minimum prescribed bonus at present is 20% of annual wages subject to a maximum wage ceiling of Rs.3500/=

per month. However, the quantum of Bonus payable by the tenderer to his workmen as per part-III of the price bid format.

- 3.4.10 The tenderer will have to extend paid National Holidays and Festival Holidays to their workmen as per BHEL RC Puram direction or as per the provisions of the relevant Act and the Rules thereof. However, if due to exigencies of work the contractor engages his workmen on National Holidays or Festival Holidays contractor shall pay additional wages as prescribed under the provisions of the Act.

### **3.5 MANPOWER:**

- 3.5.1 The Contractor shall provide the required manpower for executing the contracted work. The contractor shall not engage a person who is less than 18 years of age.
- 3.5.2 The contractor shall be responsible for safety of his workers while they are engaged for work connected with the contract. The Contractor shall be responsible for the appropriate usage of the Uniform and PPE's by their workmen.
- 3.5.3 The contractor, as the employer of his workmen, shall manage them. In the event of any dispute arising between the Tenderer and his employees, the Tenderer alone is solely responsible for resolving the dispute between them and BHEL will in no way be responsible for settling the dispute either statutory or otherwise.
- 3.5.4 The contractor will be solely responsible for executing the agreed work and the employees of BHEL will only oversee the proper execution of work. The contractor or his representatives shall be available in the factory to control and supervise his workers and take down instructions from the designated officials of BHEL. The cost of deployment of Supervisor has to be borne by the Contractor.
- 3.5.5 The contractor shall have full control over his workmen w.r.t determining service conditions, discharge, dismiss, or otherwise terminate their services at any time. The contractor shall be solely responsible for any claim arising out of employment or termination of employment of his employees and for statutory payments.
- 3.5.6 The contractor shall employ only such personnel who are medically fit. The company has right to direct the contractor to remove from the premises such of his personnel who may be physically, hygienically, clinically or medically unfit.
- 3.5.7 The contractor shall employ only such personnel who have not been found unfit for employment in Organizations such as Central/State/Public Undertakings by the Police authorities. Persons against whom criminal cases are pending or under investigation and persons found guilty of offences involving moral turpitude shall not be engaged for executing work.
- 3.5.8 The Contractor shall comply with all the operational rules and regulations, including safety and security rules framed by the company from time to time wherein the Contractor or his workmen happen to be operating / working. In the event of any of the workmen of the contractor violating any of the said rules and regulations, the Contractor would be required to remove forthwith such workmen from the company's premises.
- 3.5.9 Out of total manpower to be deployed the Contractor shall to the extent possible to deploy 15% scheduled castes and 7.5% of scheduled tribe community.

### 3.5. A. SAFETY:

- (i) All safety equipment such as safety belts, helmets & other equipment (as required for this work) are to be positioned by the contractor & used as per requirement.
- (ii) Any casualty or damage caused to the property or person by any untoward incidents while executing this contract will be at the contractors risk & cost.
- (iii) Violation of applicable safety, health & environment related norms, a penalty of ₹ 5,000.00(Rupees Five thousand) per occasion shall be imposed.
- (iv) Violation as above resulting in any physical injury a penalty of 0.5% of the contract value shall be imposed (maximum of ₹20,000.00) per injury in addition to ₹5,000.00 as mentioned above.
- (v) In case of fatal accidents, a penalty of 1% of the contract value (maximum of ₹ 10,00,000.00(Rupees Ten lakhs) per fatality in addition to ₹5,000.00 as mentioned above.

### 3.6 PERIOD OF CONTRACT

- i) The contract shall be, initially, for a period of 10 months.
- ii) The parties, if mutually agreed upon, may extend the period of contract for a further period of one year on the same terms and conditions with a price variation clause providing for any increase in wages of the workmen and consequential increase in PF, ESI etc., by appropriate Government or by BHEL from time to time.

If the rate quoted/contract is valid for two years, Company may issue LOI initially for a period of one year. The company reserves its right to issues LOI /contract for the second year to the contractor on successful and satisfactory completion of first year contract. The contractor is bound to execute the contract for second year without any demur. If the contractor fails to execute the contract, BHEL reserves the right to execute the contract through any other contractors at the risk and cost of the contractor and the company reserve the right to take appropriate action against the defaulted contractor(where ever applicable).

- iii) BHEL is at liberty to terminate the Agreement by giving 30 days' notice in writing.

### 3.7 FAILURE TO COMPLY WITH CONTRACT

- i) Notwithstanding anything contained in any other clause, BHEL reserves the right to terminate the contract due to any failure on the part of the Tenderer in discharging his obligations under the contract or in the event of his becoming insolvent or going into liquidation. The decision of the BHEL about the failure on the part of the Tenderer shall be final and binding on the tenderer.
- ii) In case of any damage to the existing building, structures, materials, tools, furniture and fixtures, machines etc., caused from contractor's end directly or indirectly, the cost of its repairs or replacement will be recovered from the contractor. If there is any work stoppage in any area of the Plant due to the fault of the contractor, the contractor is liable to compensate the same.

- iii) In the event of any failure on the part of the tenderer, BHEL shall have the right without prejudice to any other right or remedies, to get the work done through any other agency and the Tenderer shall be liable to compensate BHEL for any losses on this account. The additional cost, loss, if any incurred by BHEL will be recovered from the bills, security deposits, other dues, directly from the Tenderer or by initiating appropriate legal action.

### 3.8 PAYMENT TO THE CONTRACTOR

- i. Normally, the periodicity of payment to the contractor shall be on a calendar month basis. The Contractor shall raise the bill for payment as per the contractual terms & conditions mentioned in the contract, which should be duly certified by the BHEL official in charge of the contracted work.

In certain cases due to direct association of work with customer project, payment is made after completion of work. In such cases same will be specified in the NIT/enquiry and the agreement entered into post award of job.

The Contractor shall raise the bill for payment as per the contractual terms and conditions mentioned in the contract, duly supported by attendance sheet for all the contract labours capturing therein for each of the Contract labour total time engaged during each day on the job and the same to be duly certified by the BHEL official in charge of the contracted work.

Contract is to be expressed both in terms of required categories of labour and number of labours against each category to ensure that the contractor discharges all the contractual and statutory obligations in respect of labours engaged on the job. At the same time required output in terms of units, tonnage etc. is also to be stated to correlate achieved output vis-à-vis desired output.

Following conditions shall be adhered strictly during the contract period:

- a. In case there is fall in the achieved output vis-à-vis desired output, contractor is to be warned in two spells.
  - b. If the unsatisfactory performance repeats, contract is liable to be short closed.
- ii. The Contractor shall initially pay the wages, and other statutory payments etc., with in the specified time, related to his workmen and then claim bills from BHEL. The contractors would be required to submit their Claims along with the proof of payment of wages, PF, ESI etc., to the respective Departments. The claims will be scrutinized and certified for payment by the respective department and forwarded to Accounts Department along with HR/IR clearance certificate for effecting payment.
- iii. The Contractor shall provide two pairs of Uniform to each of his workmen along with stitching charges and cap as specified by BHEL. The Contractor is required to submit their claims along with proof of expenditure incurred and acknowledgement from his workmen for providing uniform, subject, however, the maximum reimbursement of claim amount will not exceed a total amount of Rs.1000/- (including all) for two pairs of Uniform to each workmen. BHEL will not entertain any additional / excess claims than the ceiling limit provided herein and contractor agrees to accept the same.

- iv. The contractor shall pay bonus to all his workmen as per the applicable provisions of the payment of Bonus Act 1965 and its rules for contract period and also as per the instructions / guidelines of BHEL regarding payment of Bonus (at present 20%). In this connection, the Contractor shall submit actual Bonus payable statement for the relevant period before submission of final bill. BHEL shall release actual bonus payable amount after verification of necessary documents such as attendance & wage registers.
- v. The contractor shall provide Personal Protective Equipment including one pair per year safety shoe of standard specified by BHEL safety department and two pairs socks to all his workmen during the contract period. The contractor is required to submit their claims with proof of expenditure incurred in providing Personal Protective Equipment to his workmen, subject, however, the maximum reimbursement of claim amount will not exceed a total amount of Rs. 800/- for Personal Protective Equipment to each workmen for the whole contract period. BHEL will not entertain any additional / excess claims than the ceiling limit provided herein unless the contractor offers such additional / excess claims in the Price Bid and BHEL accepts to the same.
- vi. **IMPLEMENTATION OF PRICE VARIATION CLAUSE:** Any increase in consolidated wages of BHEL RC Puram or increase in Variable Dearness Allowance by appropriate government to the eligible workmen of contractors, will be reimbursed by BHEL RC Puram to the contractor to that extent of increase on production of proof of payment to the workmen by the Contractor duly verified by the Contract Executing Officer, HR/IR and Finance. In case of decrease in the Variable Dearness Allowance by the Appropriate Government, the same will be deducted from the running bills of the Contractor to that extent. (Note: Increase is admissible on the variable components such as wages, Dearness Allowance, PF, ESI, and leave wage etc., which will be notified by the HR/IR from time to time).

### 3.9 SUB-CONTRACTING

The contractor shall not sub-contract or transfer or assign the contract in full or any part thereof to any other person or firm or company without the previous express written approval of BHEL.

### 3.10 LAWS GOVERNING THE CONTRACT

- i) The contract will be governed by the Laws of India for the time being in force and as amended or made from time to time.
- ii) All disputes shall be settled in accordance with the Laws of India for the time being in force and as amended from time to time.
- iii) All disputes arising out of or in relation to this contract or Agreement shall be settled by mutual discussions through Conciliation and in the event of failure of conciliation, such disputes shall be referred to Arbitration in accordance with the provisions of Arbitration and Conciliation Act, 1996.

### 3.11 LEGAL JURISDICTION:

In respect of all matters arising out of or pertaining to the contract, the cause of action thereof shall be deemed to have arisen only at RC Puram, Hyderabad, where BHEL - HPEP is situated. All legal proceedings pertaining to the above matters or dispute shall be instituted only in courts having territorial jurisdiction over the place where BHEL-HPEP is situated and no other court shall have the jurisdiction.

#### 4.0 DUTIES AND RESPONSIBILITIES OF THE CONTRACTOR:

- 4.1 The duties, responsibilities and obligations of the contractor including statutory responsibilities mentioned in this document are indicative and not exhaustive. Contractors are required to confirm with the concerned authorities for proper and complete compliance.
- 4.2 The contractor will abide by the provisions of Child Labour (Prohibition & Regulation) Rules 1988. He should issue appropriate Appointment Letter to his Workmen.
- 4.3 The following documents / forms under Contract Labour (Regulation & Abolition) Act 1970 and relevant rules therein shall be maintained by the contractor:
  - (i) A notice showing the wage period and date of disbursement of wages to be displayed at the place of work and a copy sent by the contractor to the HR Department (Rule 75).
  - (ii) A register of workmen Form XIII (Rule 75)
  - (iii) Employment card Form XIV (Rule 76)
  - (iv) Service Certificate Form XV (Rule 77)
  - (v) Muster Roll, Wage Register, Deductions Register, overtime Register Etc.
  - (vi) Half yearly return to be sent (In duplicate) by the contractor to the licensing officer. Form – XXIV (Rule 82 (I)) with a copy to HRM Department regularly.
  - (vii) All statutory registers and records shall be preserved in original for a period of Ten years and should be made available even after the contract is over for verification.
- 4.4 The contractor shall comply with the provisions of Contract Labour (R & A) Act 1970 including provisions relating to welfare and Health facilities as provided under the Contract Labour (R& A) Act 1970 and relevant rules.
- 4.5 All the Contractors shall submit the half yearly / yearly returns to Regional Labour Commissioner (Central), Hyderabad or appropriate authority as required under contract Labour (Regulation & Abolition) Act 1970 and forward a copy to HR Department.
- 4.6 BHEL, HPEP, RC PURAM – Hyderabad is a Notified Area under the provisions for ESI Act 1948. The contractor shall comply with the provisions of ESI Act, and will be responsible for any liability arising during the tenure of the work contract under the Act. The contractor should ensure ESI coverage and facilities to his workers (i.e. ESI code no. and ESI card etc.) as per ESI Scheme from ESI authorities including Medical Benefit etc.,. The contractor shall arrange for filing of family declaration forms in respect of their contract labors and deposit the same in ESI office for issue of Identity card by ESI authorities. The contractor may deduct required ESI contribution from the wages of their employees as per law and deposit the same (Employees share) along with his contribution to the ESI authorities.
- 4.7 Workmen insured under ESI Act only shall be deployed in contract work. For the Persons not covered under the provisions of ESI Act, the contractor shall take required insurance under Employees Compensation Act 1923 with medical benefit.
- 4.8 The tenderer shall submit bi-annual return in Form 6 along with monthly Challans to the appropriate authority under the provisions of Employee's State Insurance Act 1948, under intimation to HR Dept.
- 4.9 Notwithstanding anything contrary to this, in the event of accident, the contractor shall be required to submit accident / injury report to the concerned authorities with a copy

of the same to the designated BHEL Executive immediately and ensure the compliance of the ESI Act and rules made therein.

4.10 The tenderer shall submit the following returns to the appropriate authority under the provisions of Employee's Provident Fund and Misc. Provisions Act 1952, Employees Pension Scheme 1995 under intimation to HR Dept.

- (i) Monthly return in Form 12 A along with form 5 & 10 (addition and deletion) and monthly Challan or any other form as modified by PF authorities
- (ii) Annual Return in Form 6A along with Form 3A.  
(till this procedure is discontinued by the PF authorities)

4.11 The Contractor shall maintain the following records as required under the Employees Provident Fund And Miscellaneous Provisions Act 1952, Employee's Pension Scheme 1995

- Declaration of Nomination, Form No.2 Para 33 and 61 (1).
- Attendance.
- Wage Register.
- Any other documents / registers as required

4.12 The contractor shall regularly on or before prescribed date of every month pay the amount of contribution (employer's contribution as well as the employee's contribution) as per the Employee's Provident Fund and Miscellaneous Provisions Act 1952, Employees Pension Scheme 1995 and Employee's State Insurance Act 1948

(i) The contractor may recover from his workmen, the employee's contribution in accordance with the provisions of the said act and the Scheme but shall not recover the employer's contribution or the other charges from his employees in any manner.

(ii) The contractor shall submit along with monthly bills to BHEL, statement showing the recoveries of contributions in respect of employees employed by or through him along with the proof of Deposit of such contribution with the Concerned Authority and shall also furnish to BHEL such information, in the capacity of principal Employer, as required to be furnished under the provisions of the schemes under the Employees P.F. and Misc. Provisions Act 1952 and ESI Act, 1948 to the authorities under the said Acts.

(iii) The Contractor shall arrange for his own P.F. and ESI Code Number from the PF and ESI authorities respectively. The expenditure incurred by the contractor towards payment of the Employers Contribution and PF Administrative charges is already included in the estimated price of BHEL.

**4.13 In case of revision of Wage/DA by appropriate Government or by BHEL after the award of work, BHEL will bear the difference of increase during the currency of the Contract. Any failure to comply with the statutory requirements on the part of contractor shall disqualify such contractor from all contracts awarded to him and his name shall be black-listed for further tenders / contracts. In addition, the Contractor's security deposit shall be forfeited apart from consequential legal action against him.**

4.14 The contractor shall maintain Form D as per Rule 5 of the Payment of Bonus Act, 1965. The contractor is further liable to pay bonus to his employees in accordance with the payment of Bonus Act 1965 (Max. 20%) on completion of contract and to keep all the records in Form C as per the said Act.

- 4.15 The contractor will be required to contribute towards gratuity payment of his employees (contract workers) required as per Payment of Gratuity Act. He will also be responsible to pay retrenchment compensation under the Act. In case of short closing of contract by either side, the Contractor shall settle all dues payable to workmen including Bonus on last working day.
- 4.16 In case the contractor employs women, he will discharge his obligation under law in respect of such women workers such as prohibition of engaging them during night hours, prohibition of employing them more than 9 hours per day, provision of crèche facility, grant of maternity leave as per rules etc.
- 4.17 The Wage period for the Workmen of Contractors engaged on long contracts shall be Calendar Month and the contractor shall be responsible for making payment of wages within 7 days of the closure of the wage month (on 07th day of the calendar month following the wage month) The disbursement shall be proposed to the 6th day, if the 7th day happens to be a holiday. The Contractor would be required to open an Account for Electronic Fund Transfer (EFT) of his Bills/Claims from BHEL as well as EFT of wages/OT/other payments of his workmen from his Bank Account to the Bank Accounts of his workmen so that risks associated with cash transactions can be avoided.
- 4.18 The Contractor shall be required to issue monthly Wage slips /OT Slips to their workmen. Further, the Contractors claims are to be accompanied by a Certificate from BHEL Official certifying that “the Wage /OT Slips for the previous month/current month have been issued by the contractor to all their workmen”. Further, the contractor would be required to issue Annual PF Statement from the PF Authorities for all his workmen engaged in BHEL HPEP, RC PURAM, HYD -32 before submitting Claim for refund of Security Deposit for the respective years.
- 4.19 In case contractor fails to make payment of wages to his employees or remittance of contribution to the concerned authorities, the Security deposit / other dues payable under the contract can be utilized by BHEL to discharge the liability of the contractor.
- 4.20 The workmen of the contractors shall wear uniform while attending duty in BHEL campus. The uniform shall be provided by Contractor to his workmen. The Contractor/his authorized representative shall ensure wearing of the Uniform by his workmen in the BHEL premises.
- 4.21 The liability for compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
- 4.22 NATIONAL & FESTIVAL HOLIDAYS (as declared by BHEL): The contractor will give paid National Holidays and Festival Holidays to the workers as per Section 5 of National and Festival Holidays Act. However, if due to the exigency of work if any of his workmen is required to work on National Holiday or Festival Holiday, the contractor has to pay wages as per Section 5, sub section 2 and 3 of the said Act.
- 4.23 Besides the four national holidays i.e. 15<sup>th</sup> August, 26<sup>th</sup> January, 2<sup>nd</sup> October and 1<sup>st</sup> May (May day) if Govt. declares any other day as a national holiday same will be treated as paid holiday for the purpose of this contract. Accordingly the contractor shall be required to provide paid holiday to its workers for the same. If any of the contract worker works on such additional declared national holiday, he will be entitled to additional wage for the said day.

- 4.24 In addition to the above holidays mentioned at Clause 39, in the event the Central / State Government declares any other holiday/s and if such Holiday/s is/are applicable to BHEL, RC Puram, Hyderabad also, then the tenderer/contractor shall extend paid Holiday/s to his workmen. The tenderer shall take into account all such occasions while quoting in the tender.
- 4.25 GENERAL ELECTIONS: If the general elections are held for State Assembly / Parliament and Government declares a public holiday for exercising the franchise, the contractor shall give their workmen half day leave in "First" shift only. The contractor's workmen working in "Second" and "Night" shifts will be required to exercise their franchise during their own time.
- 4.26 The Contractor shall maintain the following Documents, Registers, Forms as required under the FACTORIES Act 1948 and Rules 1950 thereof
- |      |                |             |
|------|----------------|-------------|
| (I)  | Leave Register | Form No. 15 |
| (II) | Nomination     | Form No. 25 |
- 4.27 The contractor will extend leave with wage to his workers @ of one day for every 20 days work. To facilitate the proper execution of the Factories Act, these leaves shall be allowed during the same calendar year. The contractor will pay the un-availed portion of leave in cash along with monthly wages / at the end of Contract period.
- 4.28 Contractor has to ensure that all his workmen are granted one day weekly off after every 48 hrs. of working. The workmen working for more than 48 hours in any week shall be paid wages twice the ordinary rate of wage in accordance with the provisions of Section 59 of the Factories Act, 1948 read with the A.P Factories Rules 1950.
- 4.29 The contractor shall follow safety rules and regulations as per provisions of Factories Act 1948, and Rules at his own expense and arrange for the safety provisions as appended to these conditions or rules framed by the government from time to time.
- 4.29 A **Refund of Security Deposit**: Security Deposit of contractor will be refunded only after the expiry of the contract period and based on the certification of successful completion of the contract and payment of PF, ESI and applicable statutory dues by the concerned Officials / department and submission of an Undertaking from the contractor, that in case of Claims from any of the statutory authorities, the same would be indemnified by the Contractor.
- 4.30 The Contractor shall be required to deposit Service Tax as applicable as assessed by Central Excise Authority (Service tax cell) Hyderabad before 15th of the following month, if same is applicable as per rules in force from time to time. The amount so spent can be claimed from BHEL after submitting the proof of the same.
- 4.31 Contractor shall inform his PAN to BHEL. Income tax as applicable will be deducted at source by BHEL from the bills of contractor.
- 4.32 All the Registers and Records, forms, Notices maintained under the relevant Acts and Rules should be produced on demand before the Inspector or any other authority under the Act, failing which the contract may be terminated without any notice.

- 4.33 Contractor shall be required to submit a list of his workers to be deployed for the works contract giving details regarding Name of contract worker, Fathers Name, permanent and Present Address, Date of Birth, Qualification, Caste-SC/ST/OBC, ESI No, PF No. and the family details.
- 4.34 The contractor shall abide by all the labour legislations and other laws including the provisions of Contract Labour (Regulation & Abolition) Act, 1970, the Factories Act, 1948, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, ESI Act, 1948, Employee Provident Fund Act, 1952, AP Labour Welfare Fund Act, Payment of Bonus Act 1965, Payment of Gratuity Act 1972, and other relevant Acts applicable to his workmen under this Contract.
- 4.35 BHEL shall be indemnified against all losses, Claims, prosecutions etc. under any law.
- 4.36 The contractor shall promptly furnish all information and document required by BHEL authorities for the purpose of complying with the responsibilities of Occupier of the factory and shall render all the necessary assistance for the same.
- 4.37 The contractor will maintain proper discipline of his workmen and will ensure that his workers do not cause any loss or theft or damage to any company's property. The contractor will also be responsible for the good conduct of his workmen.
- 4.38 The contractor shall ensure and maintain uninterrupted progress of the work in accordance with instructions given to him on behalf of BHEL from time to time.
- 4.39 In case the contractor makes default in commencing the work within the time specified by BHEL without any reasonable cause, disputes any of the terms and conditions of the contract or refuses to execute the contract or any part thereof at any stage, the contract shall, without prejudice to any other right or remedies available to BHEL, be liable to be cancelled / terminated in part or in whole. In the event of such cancellation / termination of contract, the contractor shall be liable; to compensate BHEL for all losses incurred by BHEL including the loss suffered on account of having the work executed through any other contractor or department as may be convenient to BHEL, in accordance with the exigencies of the work. In case only a part of the contract is cancelled, the remaining portion of contract may be allowed be executed by the contractor.
- 4.40 The Contractor shall without fail give up-to-date information in writing of the attendance of the workers engaged by him. The Contractor will also submit the required documents and certificates as prescribed from time to time for the clearance and the payment of the Bill.
- 4.41 Whenever any sum of money is found to be recoverable from or payable by the contractor, the same will be deducted from any sum that may due or which at any time there after becomes due to the contractor under this contract or under any other contract or from his security deposit. In case the recoveries are not complete even after such deduction, the contractor shall pay the same or the balance thereof from the security deposit. The contractor shall immediately thereafter pay such further sums as may be required to replenish the shortage caused by such recoveries in the amount of security deposit.
- 4.42 During the currency of contract, if the contractor is awarded any other job work contract in BHEL, the contractor will have to inform the designated BHEL official before accepting the other work.

- 4.43 In case of failure on the part of the contractor to execute the work awarded to him within the stipulated time, the sum equivalent to the EMD as per BHEL Works Policy shall be forfeited as per the Undertaking provided by tenderers, after a week's notice issued by the awarding officer and BHEL may in its discretion award the contract to any other party.
- 4.44 In case of any extra work executed by the contractor, the contractor will be paid on pro-rata basis.
- 4.45 All the Terms and Conditions as mentioned in Work Order will also form a part of the Agreement.
- 4.46 BHEL shall have the right to deduct any sum from the bill of the contractor for making good the loss suffered by a worker or workers by reason of non-fulfillment of the conditions of the contract, Non- payment of wages or of deduction made from his or their wages which are not justified by the terms of the contract or non-observance of the said contract Labour regulations.
- 4.47 The contractor shall be responsible for observance of local laws, employment of personnel, payment of taxes etc. As far as possible, workers shall be engaged from the local areas in which the work is being executed.
- 4.48 The contractor shall be wholly responsible for the behavior of the workmen at the work place and outside, in the BHEL premises.
- 4.49 The contractor shall be responsible for safe custody of BHEL's property like materials, tools etc., entrusted to him and if necessary arrange insurance at his own expense.
- 4.50 The contractor shall be responsible to make good and rectify at his own expense any defect, which may develop or may be noticed within the period of the contract.
- 4.51 BHEL shall be entitled to recover any payment made on behalf of the contractor under any law or otherwise.
- 4.52 BHEL Officer In-charge shall have the right to stop the work at any stage or at any time by giving the contractor seven days' notice in writing.
- 4.53 **ARBITRATION**: All disputes arising in connection with the contract shall be settled by mutual consultation. If no agreement is reached the dispute shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules made there under. The dispute shall be referred for arbitration to any arbitrator to be appointed by the Head of the Unit/his nominee as per the extant rules of the Company read with the provisions of The Arbitration and Conciliation Act, 1996 and amendments thereto. The award of the arbitrator shall be final and binding on both the Parties. The venue of the Arbitration shall be Hyderabad in India. The Award to be given by the Arbitrator/Arbitral Tribunal shall be a speaking award. All questions, disputes, differences arising under, out of or in connection with this contract shall be to the exclusive jurisdiction of Sangareddy Courts.

## SCHEDULE 'A'

**Contract period: 10 Months**

**1. CONTRACT WORK DESCRIPTION : Back-Chipping Work in Heat Exchangers & Fabrication Shop**

**No. of persons required to be deployed on daily basis: Semi-Skilled workers: ---71Nos,**

(Shift wise deployment will be decided on day-to-day basis in consultation with the contract executing officers with in the above mentioned daily limit)

SI No	Activities	Remarks (Breakup of No. of persons to be deployed for each activities daily)
1	<p><b><u>Name of the work:</u> Back Chipping</b></p> <p>The above work consists of back chipping, cleaning, grinding, DP check of various weldments of shells like Condensers, HP Heaters, HPH closing Joints, etc,. Grinding of welds for DP, MPI, UT and RT. Contractor has to carry-out any type of relevant works as per the instructions of the concerned officials. Contractor shall arrange necessary PPEs to his workmen.</p> <p><b><u>BHEL SCOPE:</u></b> BHEL will arrange electrical power supply, pneumatic / electrical grinding machines, grinding wheels, compressed air, instruments, and tools required for carrying out these works.</p>	71SSW

**6-A TECHNO-COMMERCIAL BID APPLICATION**

To,

Bharat Heavy Electricals Limited  
H.P.E.P., RC PURAM,  
HYDEDRABAD-32

Dear Sir,

I / We hereby offer to carry out the work '-----' against Tender Enquiry No.

-----

I / We have carefully perused the following documents connected with the above mentioned work and agree to abide with the same.

- |     |                               |   |            |
|-----|-------------------------------|---|------------|
| 1.  | Notice Inviting Tender        | } | (Part – A) |
| 2.  | Bid Application               |   |            |
| 3.  | Bid Questionnaire – A         |   |            |
| 4.  | Bid Questionnaire – B         |   |            |
| 5.  | Declaration by Tenderer       |   |            |
| 6.  | Instructions to tenderer      |   |            |
| 7.  | General terms and conditions  |   |            |
| 8.  | Specific terms and conditions |   |            |
| 9.  | Evaluation of price bid       |   |            |
| 10. | Scope of Work & Schedule-A    |   |            |
| 11. | Price Bid Format              |   | (Part – B) |

I / We further agree to execute all the works referred to in the said documents as per the General terms and conditions.

I am /We are in possession of independent PF/ESI Code.

I/We undertake to obtain applicable the PF/ESI coverage of all our workmen to be deployed for the above work and also agree for recovery of appropriate PF/ESI contribution from wages/bills

Strike out which is not applicable
------------------------------------

Signature of Tenderer

**PART - A**  
**TECHNICAL BID - I**

Tender Enquiry No. :

Date:

**Details of the Contractor:**

a) Name and address of the Firm:

b) Name and address of the proprietor:

c) Is any contract being operated under the control of the tenderer in BHEL . Yes / No

(If yes furnish the details) :

	<u>Location/ Address</u>	<u>Value</u>	<u>Date of Completion</u>
1.			
2.			
3.			
4.			

d) Is any relative of tenderer employed in BHEL Yes / No

(If yes furnish the detail)

Name	Staff no	Location / Area

Signature of the Tenderer  
Date:

Signature of Tenderer

ISSUING OFFICER  
AGM/Prodn./HE&FAB

**TECHNICAL BID - II**

01	ESI Code No. (enclose copy of ESI code allotment letter of ESI authority)	
02	PAN No.	
03	PF Code No. (enclose copy of PF code allotment letter of EPF authority)	
04	Service Tax Registration No.	
05	Banker's Name & Address	
06	Bank A/C No. & Branch	
07	Bankers Solvency Certificate	YES / NO
08	Have you quoted rates for all the activities, as indicated in the price bid ( Part – B )	YES / NO
09	Financial Turnover for preceeding three years duly certified by qualified Chartered Accountant: ex.2011-12,2012-13 & 2013-14	
10	Any other comments	

**Note:**

- I. Photocopy in support of above wherever applicable should be attached.
- II. Please note that if answer of SI No.01, 03, 08 or 09 is not available or 'No' then the bid is liable to be rejected.

Signature of the Tenderer

Date:

(In case the department concern requires specific information same may be sought by modifying the above proforma appropriately)

Signature of Tenderer

ISSUING OFFICER  
AGM/Prodn./HE&FAB

**SPECIAL TERMS & CONDITIONS OF CONTRACT**

- i. The quantity of raw materials drawn, if any from the Stores and balance unused should be accounted and returned to the Stores.
- ii. Ensure cleanliness of the preparation area/work spot before and after the work on daily basis.
- iii. The quantity will be counted, measured and weighed and certified by the authorized persons.
- iv. The quantity may slightly vary depending on the requirement which will be informed in advance by BHEL.
- v. The payment will be as per actual quantity prepared, executed and accounted.
- vi. In case of delay of payment of wages to the contract labour by the contractor, for more than a week, the contract executing officer will initiate action for payment of wages directly from BHEL side and recover the same from the payments due to the contractor along with penalty as decided by the respective product head. In case, the contractor default/fail to pay wages to the contract labour repeatedly (more than once) the contract executing officer shall take action for payment of wages directly by BHEL and contract may be short closed despite blacklisting/banning the said contractor from participating in the future bidding/tendering in BHEL.
- vii. Experience Certificate: On completion of contract, the contractor will be issued an experience certificate on the total performance of the contractor such as technical competency, implementation of statutory provisions in time, such as payment of wages to the worker, payment of PF contribution, Payment of ESI contribution, Payment of bonus, issue of PPE, uniform cloth, safety shoe etc.,. based on which the contractors future bid if any in BHEL will be evaluated.

## **PROFORMA FOR PRICE BID OF BACK-CHIPPING WORK**

### **EVALUATION OF PRICE BID:**

- i. A single percentage (%) must be quoted for all categories mentioned in the price bid Proforma as the job would be awarded to one or more successful tenderer as per NIT criteria
- ii. Price bid evaluation will be made on the basis of service charge % quoted by bidder.
- iii. In the event of two or more tenderers becoming L1, the selection of the tenderer for the purpose of awarding contract will be on the basis of LOTTERY to be held in presence of representatives of L1 tenderers.
- iv. Contractor shall take total care to educate himself to know the prevailing wages payable to contract labour in BHEL RC puram and quote rates taking into account all aspects of contract.

### **IMPLEMENTATION OF PRICE VARIATION CLAUSE:**

- i. Any increase in consolidated wages of BHEL RC Puram or increase in Variable Dearness Allowance by appropriate government to the eligible workmen of contractors, will be reimbursed by BHEL RC Puram to the contractor to that extent of increase on production of proof of payment to the workmen by the Contractor duly verified by the Contract Executing Officer, HR/IR. In case of decrease in the Variable Dearness Allowance by the Appropriate Government, the same will be deducted from the running bills of the Contractor to that extent.
- ii. Increase is admissible on the variable components such as wages, dearness allowance, PF, ESI, and leave wage etc., which will be notified by the HR/IR from time to time.

**6-C PROFORMA FOR PRICE BID OF BACK-CHIPPING WORK****Part I: ( Details of No. of Contract Workers to be deployed, Wages, PF & ESI )**

Sl. No.	Details	SSW
1	No. of persons to be deployed	71
2	No. of working days in contract period	246
3	Daily Wages payable for working day notified by BHEL RC Puram	502.15
4	No. of leaves / paid holidays in contract period – 1 day leave wage for every 20 days i.e. total leaves 18 days + 11 days holidays including DR. B R Ambedkar Jayanthi	24
5	Wages payable per day for paid holiday / leave	502.15
6	PF Employer Contribution - 13.61% of (1x2x3)	1193672
7	ESI Employer Contribution – 4.75% of (1x2x3)	416601
8	<b>Total = (sl.no.1x2x3) +(1x4x5) + (6+7)</b>	<b>11236489</b>

**Part II: (Contractor should claim along with 1st bill the following expenditure after compliance of safety regulation as per NIT,duly certified by Executing department&HR-IR)**

Sl. No.	Expenditure Details			Total
9.a	Cost of Safety shoe, socks, helmet, Uniform cloth & stitching charges i.e. Rs.1800/- x sl.no.1 of part I x sl.no. 2 /302)			104102
9.b	Cost of Other PPEs (Pl specify) **	Rate/Unit (in Rs.)	No of Units	
	a) One pairs of hand gloves(leather) per month	110	852	93720
	b) 3nos.of Safety goggles (U.V Protective glasses) per annum	235	90	21150
	c) 4nos.of Safety goggles (Chip protective glasses) per annum	45	164	7380
	d) 1no of Hand Shield (FULL) per annum	190	15	2850
	e) 1no of Head Shield (FULL) per annum	245	15	3675
	f) 12 no of Ear Plugs per annum	6.78	852	5777
	g) 24 nos of Dust masks per annum	0.84	1704	1431
	h) Cora cloth 6Mt. Per annum	43.65	426	18595
	i) One soap per month	13.03	852	11102
	Cost of (a to i) x sl.no. 1 of part I x (sl 2/302) of part 1			134957
	<b>** Total Part II = (sl.no. 9a+9b)</b>			<b>239059</b>

**Part III: ( Contractor should claim bonus payment with proof of payment of bonus to contract labours )**

Sl. No.	Expenditure Head	Details	Total
10	Statutory bonus 20%	Statutory bonus 20% max. limited to Rs.8400/- per person per annum (i.e. Rs.8400 x sl.no.1) x (sl. 2/302) of part I	<b>485809</b>

**Part IV: (% Service charge)**

Sl. No.	% Service charge	Quote in % (upto 2 decimals) on total value of Sl.no.8 of part I
11.a	In figure	Contractor
11.b	In word	Contractor

**Part V: (Grand total value of Contract)**

Sl. No.	Expenditure Details	Total
	<b>BHEL will arrive at the total Value of the Contract (excluding service tax) by summing up part I+II+III+(part IV 11a x Part I sl.no.8)</b>	BHEL

**NOTE:**

1. Contractor has to quote only positive % upto two decimals (e.g. 10.12% etc., ) towards all related expenditure including materials, consumables, tools, other equipment required to perform assigned task, supervision, financial charges, margin etc. in Part IV of Price Bid Format or else the tender will be rejected. Request for any other payment will not be entertained by BHEL for whatsoever reason except as indicated in Sl. No. 2 below. Changing any other value in Price Bid will lead to rejection of the Price Bid. Amounts mentioned in Part I, II, III are statutory in nature. Quoting less on these items a tentamounts to statutory violation.
2. Any revision in Daily Wages Rate made by BHEL based on GO Notification will be reimbursed/ adjusted as per clause 4.13 of Notice Inviting Tender (NIT) based on actual payment made to contract labour and service charges as indicated in Part IV 11a. will not be applicable on such additional amount.
3. The service charges in Part IV above is to be quoted in both figures & words by contractor and in case of difference, value mentioned in words will prevail.
4. Contractor has to submit monthly bill based on actual payment made to contract labours. Original payment register to be vetted by Contract Executing Officer and a copy of the same is to be submitted along with claim bill. Payment for daily wage and leave/holiday payment with up-to-date cumulative figure should be recorded in payment register. Proof of payment of PF & ESI have to be enclosed along with monthly bill.
5. The contract labour may be allowed weekly off on any day other than Sunday also, depending upon exigencies of work / BHEL requirement.
6. Service Tax, wherever claimed, is to be supported by Service Tax Invoice along with proof of payment of service tax for preceding Service Tax invoice claimed from BHEL under this contract.
7. In case of tie in Price Bid and equal distribution of quantity is not feasible, contract can be awarded based on lottery.
8. No contract labour will be allowed to enter into BHEL premises without PPEs (i.e. Safety Shoes & helmet etc.,).
9. Price bid evaluation will be made on the basis of service charge % quoted by bidder.
10. Applicable taxes and duties if any to be indicated separately with present applicable rate
11. The labour engaged under this contract / tender cannot be deployed in any other works. Violation of this rule will be viewed seriously.
12. Bidder firm / Company / Group / concerns or affiliates etc. should not be the banned firms / Companies by BHEL nor any of their Director / Partner / Proprietor of bidder / such Group concern or affiliate etc., are involved with such concern / Firm / Company

**7.0 DECLARATION BY TENDERER**

I, -----, aged ----- Yrs., S/o -----,  
residing at -----

Hereby declare as follows:

- (i) That my nationality is \_\_\_\_\_.
- (ii) That I am a major and eligible to enter into contract / my firm / my company is competent to enter into an agreement.
- (iii) I shall employ only such personnel who have not been found unfit for employment in Organizations such as Central / state / Public undertaking by the Police Authorities.
- (iv) I shall not employ persons against whom Criminal cases are pending or under investigation.
- (v) I shall also not employ persons found guilty of offences involving moral turpitude for executing work in BHEL contracts.
- (vi) That there are no Criminal cases pending or under investigation against me or my firm or company.
- (vii) I have not been found guilty of offences involving moral turpitude nor any of the company directors / partners of my firm have been found guilty of offences involving moral turpitude.
- (viii) Neither myself nor my firm nor my company has been declared insolvent in the past.
- (ix) I have taken due care and efforts to furnish only information which are true in the tender document.
- (x) I shall employ labours who are more than 18 years of age and having sound physical and mental health.
- (xi) I shall keep Photograph / identity proof / residential proof of the laborers to be employed against this tender and arrange for police verification.

[Signature with Name & seal of the Tenderer]

Date :

Place :