

GENERAL AND SPECIAL CONDITIONS OF CONTRACT

SECTION 1

Instructions To Tenderers

1.. GENERAL INSTRUCTION TO TENDERERS.

1.1. Submission of Tender.

1.1.1 a This tender specification as a whole, duly furnishing the following details shall be duly signed and sent in a sealed cover superscribing:

TENDER FOR _____

TENDER SPECIFICATION NO. _____

DUE ON _____

1.1.1b DURATION OF JOB

1.1.1.1 Earnest Money Deposit.

1.1.1.2 Income Tax & Sales Tax clearance certificate.

1.1.1.3 Detailed organization chart for manpower resources available with the tenderer and to be employed for the present jobs.

1.1.1.4 Time to be taken for commencement and completion of work.

1.1.1.5 A list of experience as mentioned in the tender document.

1.1.1.6 The details of the present job being handled.

1.1.1.7 Certificate from the Bank to establish financial capability of the tenderer.

1.1.1.8 Attested copies of partnership deed, power of attorney and tender specifications duly signed as mentioned in the tender documents.

1.1.1.9 Price schedule and other relevant information.

- 1.1.2. The tender shall be addressed to:
Regional Service Manager,
Bharat Heavy Electicals Ltd.
Power Sector, (W R) SAS (Services),
345, Shreemohini Complex , Nagpur -
440001
- 1.1.3 Tenders submitted by post shall be sent "**REGISTERED POST ACKNOWLEDGMENT DUE**" and shall be posted with the due allowance for any postal delay. The tenders received after the due date and time of opening are liable to be rejected. Telegraphic offers and offers received by telex may not be considered unless confirmed in writing by a detailed offer.
- 1.1.4 Tenders shall be opened by the authorised officer of BHEL at his office at the time and date as specified in the tender notice in the presence of such of those tenderers or their authorised representatives who may be present
- 1.1.5 The Tenderer shall closely peruse all the clauses, specifications, and drawings indicated in the tender documents before quoting. Should the tenderer have any doubt about the meaning of any portion of the tender specifications or find discrepancies or omission in the drawings of the tender document issued are incomplete or shall require clarification on any of the technical aspect, scope of work etc. he shall at once contact the authority inviting the tender for clarification before the submission of the tender.
- 1.1.6 Before tendering, the tenderer is advised to inspect the site of Work and the environments and be well acquainted with the actual working and other prevalent conditions, facilities available, position of material and labour. No claim will be entertained later on the ground of lack of knowledge.
- 1.1.7 Tenderers must fill up all the schedules and furnish all the required information as per the instructions given in various sections of the tender specification. Each and every page of the tender specification must be signed and submitted alongwith the offers by the tenderer in token of complete acceptance thereof. The information furnished shall be complete by itself.
- 1.1.8 The tenderer shall quote the rates in English language and international numerals. The rates shall be in whole rupees. These rates shall be entered in figures as well as in words. For the purpose of the tender, the metric system of units shall be used.

- 1.1.9. All entries in the tender shall either be typed or be in ink. Erasers and over writings are not permitted and may render such tenders liable to summary rejection. All cancellations and insertions shall be duly attested by the tenderer.
- 1.1.10 Tenderer's offers and remarks and any deviation, shall be with reference to sections and clause numbers given in the tender schedule.
- 1.2 **Qualifications Of Tenderers**
Only tenderers who have previous experience in the work of this nature and description detailed in this tender specification are expected to quote for this work duly detailing their experience along with the offer. Offers from tenderers who do not have proven and established experience in the field are not likely to be considered.
- 1.3 **Data To Be Enclosed**
Full information shall be given by the tenderer in respect of following. Non-submission of this information may lead to rejection of the offer.
- 1.3.1 **Financial Status,**
A certificate from Schedule Bank to prove his financial capacity to undertake the work or solvency certificate from the concerned government authority.
- 1.3.2 **Income Tax/sales Tax Certificates**
A certificate of Income Tax/Sales Tax verification from the appropriate authority in the forms prescribed therefore duly indicating annual turnover. These certificates shall be valid for one year from the date of issue or for the period prescribed therein for all tenders submitted during the period.
- 13.3 **Previous Experience**
A statement giving particulars duly supported by documentary evidence of the various services rendered for each similar work by the tenderer indicating the particulars and value of each work, the site location and the duration and date of completion and also a list of site locations and particulars and value of various services that are under progress.

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- 1.3.4 **Organisation Chart**
The organisation pattern that is totally available with him and that will be employed by the tenderer for this work duly indicating the number of supervisors, the number of skilled and unskilled persons etc.
- 1.3.5 An attested copy of the Power of attorney, in case the tender is signed by an individual other than the sole proprietor, shall also be attached.
- 1.3.6 In case of an individual:
His full name, address and place and nature of business.
- 1.3.7 In case of partnership firms
The names of all the partners and their addresses. A copy of the Partnership Deed instrument of partnership duly certified by the Notary Public shall be enclosed.
- 1.3.8 In case of Companies
Date and place of registration including date of commencement certificate in case of Public Companies (Certified copies of Memorandum and Articles of Association are also to be furnished).
- 1.3.9 Nature of business carried on by the company and the provisions of the Memorandum relating there of.
- 1.3.10 Names and particulars including addresses of all the Directors
And their previous experience.
- 1.3.11 A list of tools and tackles that the tenderer is having and those That will be used on this job.
- 1.3.12 In addition the above, the particulars required in various annexures.
- 1.4 **Earnest Money Deposit**
- 1.4.1 Every tender MUST be accompanied by the prescribed amount of Earnest Money Deposit in any one of the following forms;
(All securities are to be discharged and pledged in favour of BHEL)
- NOTE :** Cheques, Currency Notes, Money Orders or Postal Orders will not be accepted with the tender.
- 1.4.1.1 CASH (the amount should be remitted by the party to the cashier of Bharat Heavey Electricals Limited, Power Sector / Service After Sales (services), Nagpur and Cash receipt issued by him shall be enclosed along with the tender)

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- 1.4.1.2 Call deposit receipt, pay order, Demand Draft payable at Nagpur duly pledged in favour of Bharat Heavy Electricals Limited, Nagpur.
- 1.4.1.1 Post Office Cash Certificates, National Savings Certificates, Treasury Savings Deposit Certificates, National Plan Savings Certificates, 12 years National Defence certificates and 10 years Defence Deposit Certificates.
- 1.4.1.2 Bank Guarantee from Nationalised/Schedule Banks in the prescribed proforma of Bharat Heavy Electricals Limited. The validity of Bank Guarantee should be upto the completion of work.
- 1.4.1.3 Fixed Deposit Receipt issued by State Bank of India / Nationalised Banks.
- 1.4.1.4 Insurance Guarantee issued by **L.I.C.** or any of the General Insurance Corporations.
- 1.4.2 Tenders received without Earnest Money in full in the manner prescribed above are liable to be rejected.
- 1.4.3 The Earnest Money Deposit of the successful tenderers will be retained towards part of Security Deposit of the due fulfillments of the Contract. However, the same may be released as soon as the Security Deposit mentioned under clause 1.8 is furnished.
- 1.4.4 In the case of unsuccessful tenderers the Earnest Money will be refunded to them within a reasonable time after finalization of the tender.
- 1.4.5 BHEL reserves the right of forfeiture of Earnest Money deposit in case the successful tenderer.
 - a) fails to start the work as may be indicated in the Letter of Intent.
 - b) After opening of Tender, revokes his tender within the stipulated period or alters his earlier quoted rates/conditions.

1.5 Authorization And Attestation

- 1.5.1 Tenders shall be signed by persons duly authorized/empowered to do so. Certified copies of such authority and relevant documents shall be submitted along with the tenders.

1.6 Validity Of Offer

The rates in the tender shall be kept open for acceptance for a minimum period of 12 months from the date of placement of order. If a tenderer withdraws or revokes his tender or revises the tendered rates or conditions for any item within the aforesaid period, his Earnest Money Deposit is liable to be forfeited. In case the Bharat Heavy Electricals Ltd. calls for negotiations such negotiation shall not amount to cancellation or withdrawal of the original offer which shall be binding on the tenderers.

1.7 EXECUTION OF CONTRACT

The successful tenderer's responsibility under this contract commences from the date of issue of the letter of intent by Bharat Heavy Electricals Limited. The successful tenderer shall be required to execute an agreement in the prescribed form with the BHEL within a reasonable time after the acceptance of his tender and in any case before submitting the first bill for payment. The expenses for completion and stamping the agreement shall be borne by the tenderer.

1.8 SECURITY DEPOSIT

1.8.1 Upon acceptance of tender, the successful tenderer within the time specified in the Letter of Intent must deposit the required amount as part amount towards Security Deposit.

18.2 The rate of Security Deposit shall be as below :

Upto Rs.10 Lakhs	10%
Above Rs.10 Lakhs upto Rs.50 Lakhs	1 Lakh +7.5% of the amount exceeding Rs.10 Lakhs.
Above Rs.50 Lakhs	Rs.4 Lakhs + 5% of the amount exceeding Rs.50 Lakhs.

The security Deposit should be collected before start of the work by the contractor.

B. 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 Post Offices such as National Savings Certificates, Kisan Vikas Patras etc.
(Certificates should be held in the name of contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).
- 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 of 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% may be recovered from the running bills.
- viii) EMD of the successful tenderer shall be converted and adjusted against the security deposit.
- ix) The security deposit shall not carry any interest.

NOTE: Acceptance of Security Deposit against sl.no.(iv) and (vi) above will be subject 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.

- 1.8.3 If the value of the work done at any time exceeds the accepted agreement value the security deposit shall be correspondingly enhanced and the extra security deposit shall be immediately deposited by the Contractor or recovered from payments due to him.
- 1.8.4 Regarding adjustment of Earnest Money Deposit towards part of security deposit, refer clause 1.4 above, the successful tenderer shall not commence any work under the contract before remitting the Security Deposit except as directed by BHEL.
- 1.8.5 Failure to deposit the Security within the stipulated time, may lead to forfeiture of Earnest Money and cancellation of the award of work.
- 1.8.6 In case the Contractor desires to furnish full Security deposit, as may be indicated in the Letter of Intent, he may do so in any one of the forms as mentioned in Clause 1.4., however, the deposits should cover up to the period of warranty also.
- 1.8.7 If any part of Security Deposit of the contractor is held in the form of approved securities it shall be kept transferred in the name of Bharat Heavy Electricals Limited, Power Sector, Service After Sales (Services), Nagpur, in such a manner that BHEL can realise it fully without reference to the contractor. BHEL shall not be responsible for any depreciation in the value of the Security while in BHEL's custody or for any loss of interest thereon.
- 1.8.8 BHEL reserves the right of forfeiture of Security Deposit in addition to other claims and penalties in the event-of contractor's failure to fulfill any of the contractual obligations or in the event of termination of Contract as per terms. & Conditions of contract.

1.8.9 Return Of Security Deposit

If the contractor duly performs and completes the contract in all respect to the entire satisfaction of BHEL and presents an absolute "No Demand Certificate" in the prescribed form and returns properties belonging to BHEL handed over, lent or hired by him for carrying out the said works, the security deposit will be released to the contractor after deducting all costs or expenses or other amounts that are to be paid to BHEL under this or other contracts entered into with the contractor, only after the satisfactory completion of guarantee period as per clause 2.13.

1.8.10 No interest shall be payable by BHEL on Earnest Money/Security Deposit or any money due to the contractor by BHEL.

1.9 Rejection Of Tender And Other Conditions

1.9.1 The acceptance of tender will rest with BHEL which does not bind itself to accept the lowest tender or any tender and reserves to itself full rights for the following without assigning any reason whatsoever:

a) to reject any or all the tenders.

b) to split up the work amongst two or more tenderers.

c) to award the work in parts.

d) either of the contingencies stated in (b) & (c) to modify the time for completion suitably.

1.9.2 Conditional and unwitnessed tenders, tenders containing absurd or unworkable rates and amounts and tenders which are incomplete and otherwise considered defective and tenders not in accordance with the tenders conditions, specifications etc. are liable to be rejected.

1.9.3 If a tenderer expires after his submission of the tender or after the acceptance of this tender, BHEL may at their discretion, cancel such . tender. If a partner of a firm expires after the submission of the tender or after the acceptance of the tender, BHEL may cancel such -tender at their discretion unless the firm retains its character.

1.9.4 BHEL will not be bound by any Power of Attorney granted by the tenderer or by changes in the compositions of the firm made subsequent to the execution of the contract. They may, however, recognise such Power of Attorney and changes after obtaining proper legal advices, the cost of which will be chargeable to the contractor concerned.

1-9.5 If the tenderer deliberately gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract, if awarded and forfeit the Earnest Money/Security Deposit.

- 1.9.6 Canvassing in any form in connection with the tenders is strictly prohibited and the tenders submitted by the Contractor who resort to canvassing are liable to rejection.
- 1.9.7 Should a tenderer or Contractor or in the case of a firm or Company of Contractor's one or more of its Partners / Shareholders /Directors have a relation or relations employed in the capacity of an officer of BHEL, the authority inviting tender shall be informed of the fact along with the offer, failing this, BHEL may at its sole discretion, reject the tender or cancel the contract and forfeit the Earnest Money/Security Deposit.
- 1.9.8 The successful tenderer should not sub-contract the part or complete work detailed in this tender specification/undertaken by him without written permission of BHEL. The tenderer is solely responsible to BHEL for the work awarded to him.

SECTION II

GENERAL TERMS AND CONDITIONS OF THE CONTRACT

- 2.1 **Definition**
The following terms and expressions shall have the meaning hereby assigned to them except where the context otherwise requires : -
- 2.1.1 "BHEL" (or B.H.E.Ltd.) Shall mean Bharat Heavy Electricals Limited, a company registered under Indian Companies Act, 1956, with its registered office at BHEL House, Siri Fort, New-Delhi-110049, or its Regional HQ Nagpur authorised to deal with any matters with which it is concerned on its behalf.
- 2.1.2. "GENERAL MANAGER"/ "SR.DEPUTY GENERAL MANAGER" / "DY. GENERAL MANAGER" shall mean the officer in Administrative Charge of BHEL, Power Sector, Western Region Service After Sales (Services), Nagpur or their other regional offices.'
- 2.1.3 "ENGINEER" or "ENGINEER INCHARGE" shall mean Engineer deputed by BHEL. The term includes "SITE ENGINEER", "RESIDENT ENGINEER" LOI his nominee of BHEL at the site as well as the officers in charge at Nagpur office.
- 2.1.4 "SITE" shall mean the place or places at which the plants/equipments are to be overhauled and services are to be performed as per the specification of this Contract.
- 2.1.5 "CLIENTS OF BHEL" or "CUSTOMER" shall mean the project authorities to whom BHEL is supplying the equipments/services
- 2.1.6 "CONTRACTOR" shall mean the individual, firm or Company who enters into this contract with BHEL and shall include their executors, administrators, successors and permitted assigns.

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- 2.1.7 "CONTRACT" or "CONTRACT DOCUMENT" shall mean and include the agreement or work order, the accepted appendices of rates, Schedules or quantities, if any and general conditions of contract, the special conditions of contract, instructions to the tenderers, the drawings, the specifications, the special specifications, if any, the tender documents and the Letter of Intent/ Accepting Letter issued by BHEL. Any conditions or terms stipulated by the contractor in the tender documents or supporting letters shall form part of the contract unless specifically accepted in writing by BHEL and incorporated in the agreement.
- 2.1.8 "GENERAL CONDITIONS OF CONTRACT" shall mean the instructions to tenderers and general conditions of contract pertaining to the work detailed.
- 2.1.9 "TENDER SPECIFICATION"¹ shall mean the "Specific Conditions, technical specifications, appendices, site informations and drawings" pertaining to the work for which the tenderers are required to submit their offer. Also this will include the specification covered under specifications detailed in NIT of client of BHEL for overhauling, erection, testing and commissioning of plant. Individual specification No. will be assigned to each tender specification.
- 2.1.10 "TENDER DOCUMENTS" shall mean the General Conditions of Contract (2.1.8) and tender specification (2.1.9).
- 2.1.11 "LETTER OF INTENT"¹ shall mean the intimation by a letter to the tenderer that the tender has been accepted in accordance with provisions contained in that letter. The responsibility of the contract or commence from the date of issue of this letter and all the terms and conditions of contract are applicable from this date.
- 2.1.12 "COMPLETION TIME" shall mean the period by date specified in the acceptance of tender for handing over the overhauled equipment/plant which are found acceptable by the Engineer being of required standard and confirming to the specifications of the contract.
- 2.1.13 "PLANT" shall mean and connote the entire assembly of the plant and equipments covered by the contract.
- 2.1.14 "EQUIPMENT" shall mean all "equipments, machineries, materials, structurals, electricals and other components of the plant covered by the Contract.
- 2.1.15 "TESTS" shall mean and include such test or tests to be carried out on the part of the Contractor as are prescribed in the contract or considered necessary by BHEL, in order to ascertain the quality, workshop, performance and efficiency of the contract work or part thereof.
- 2.1.16 "APPROVED", "DIRECTED" or "INSTRUCTED" shall mean approved, directed or instructed by BHEL.
- 2.1.17 "WORK OR CONTRACT WORK" shall mean and include supply of all categories of labour, specified consumables, tools and tackles required for complete and satisfactory site transportation, handling, stacking, storing, overhauling, erecting, testing and

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commissioning of the equipments to the entire satisfaction of BHEL.

2.1.18 "SINGULAR AND PLURAL ETC." words carrying singular number shall also include plural and vice versa, where the context so requires. Words importing the masculine gender shall be taken to include the feminine gender and words' importing persons shall include any Company or Association or body of individuals, whether incorporated or not.

2.1.19 "HEADINGS", The headings in these general conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof or of the " contract.

2.1.20 "MONTH" shall mean calendar month.

2.1.21 "WRITING" shall include any .manuscript, type written or printed statement under the signature of seal as the case may be.

2.2. Law Governing The Contract And Court Jurisdiction

The Contract shall be governed by the Law for the time being in force in the Republic of India. The Civil Court, having ordinary original civil jurisdiction, NAGPUR shall alone have exclusive jurisdiction in regard to all claims in respect of this contract.

2.3 Issue Of Notice

The contractor shall furnish to the BHEL Engineer the name, designation and address of his authorized agent and all complaints, notices, communications and reference shall be deemed to have been duly given to the Contractor if delivered to the Contractor or authorized agent or left at or posted to the address either of the Contractor or of his representative and shall deemed to have been so given in the case of posting on the day on which they would have reached such address in the ordinary course of post or on which they were so delivered of/or left.

2.4 Use Of Land

No land belonging to BHEL or their customer under temporary possession of BHEL shall be occupied by the contractor without the written permission of BHEL.

2.5 Commencement Of Work

2.5.1 The Contractor shall commence the works within the time indicated in the Letter of Intent from BHEL and shall proceed with the same with due expedition without delay.

2.5.2 If the successful tenderer fails to start the work within the stipulated time, BHEL, at its sole discretion will have the right to cancel the contract. His Earnest Money and/or Security Deposit with BHEL will stand forfeited without any further

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reference to him, without prejudice to any and all of BHEL's other rights and remedies in this regard.

2.5.3 All the works shall be carried out under the direction and to the satisfaction of BHEL.

2.5.4 The erected/overhauled plant or work performed under the contract shall be taken over when it has been, completed in all respect and/or satisfactorily put into operation at site.

2.6 Mode Of Payment And Measurement Of The Work Completed

2.6.1 All payment due to the Contractor shall be paid only by "Account Payee Cheques".

2.6.4 Work which is to be measured in detail shall be measured as per standard procedure without reference to any local procedures, excepting where it is otherwise stated in the tender documents. The measurement shall be taken jointly by persons duly authorized on the part of BHEL and by the Contractor. . .

2.6.4 If, at any time due to any reason whatsoever it becomes necessary to ,remeasure the work done in full or in part, the expense towards the remeasurement shall be borne by the Contractor.

2.6.6. The Contractor shall bear the expenditure involved, if any, in making. The measurement. The Contractor shall, without extra charges provide all the assistance with appliances and other things necessary for measurement.

2.6.7 The Contractor will be intimated in writing by the Site Engineer, the proposed date of measurement. If the Contractor's representative fails to participate in the joint measurement, the BHEL engineer shall have the power to proceed by himself to take measurement in which case the measurement shall be accepted by the Contractor as final.

2.6.8 Passing of measurement as per bills does not amount to acceptance of the completion of the work mentioned. Any left out work has to be completed if pointed out at a later date by BHEL.

2.7 Rights Of BHEL

BHEL reserves the following rights in respect of this contract without entitling the contractor for any compensation:

- 2.7.1 To get the work done through other agency at the risk and cost or. The Contractor's poor progress, or inability to progress the work, for completion as stipulated in the contract, poor quality of the work etc., and to recover compensation for such losses from the Contractor including BHEL's supervision charges and overheads from security Deposit/other dues.
- 2.7.2 To withdraw any portion of work and/or to restrict/alter the quantum of work as indicated in the contract during the progress of work and get it done through other agency and/or by departmental labour to suit BHEL's commitment to its customer or in case BHEL decides to advance the date of completion due to other emergency reasons/BHEL's obligation to its customer.
- 2.7.3 To terminate the Contract after due notice and forfeit Security Deposit and recover the loss sustained in getting the balance work done through other agencies in addition to liquidated damages in the events of:
 - 2.7.3.1 Contractor's continued poor progress brought to his notice from time to time.
 - 2.7.3.2 Withdrawal from or abandonment of the work before completion of the work.
 - 2.7.3.3 Corrupt act of Contractor.
 - 2.7.3.4 Insolvency of the Contractor.
 - 2.7.3.5 Persistent disregard to the instructions in writing of BHEL.
 - 2.7.3.6 Assignment transfer, sub-letting of the contract without BHEL's written permission.
 - 2.7.3.7 **Non-fulfillment Of Any Contractual Obligations**
Any delay in works for reasons not attributable to the contractor will have to be compensated by either increasing manpower and resources or by working extra hours and more than one shift without any extra cost.
- 2.7.4 To recover any money due from the Contractor, from any money due to the contractor under this contract or any other contract or from the Security Deposit.
- 2.7.5 To claim compensation for losses sustained including BHEL's supervision charges and overheads in completion on termination of contract to impose penalty for delay in completion of the work, at the rate of 1/2% of the contract value per day of delay or part thereof-subject to a ceiling of 10% of the contract value.
- 2.7.6 To terminate the contract or to restrict the quantum of work and pay for the portion of work executed in case BHEL's contracts with their customers are terminated for any reason.

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- 2.7.7 To effect recovery from any amounts due to the contractor under this or any other contract etc. in any other form, the money, BHEL is forced to pay to anybody, due to contractor's failure to fulfill any of his obligations.
- 2.7.8 While every endeavour will be made by BHEL they cannot guarantee uninterrupted work due to conditions beyond their control. Contractor will not be entitled to any compensation/extra payment on this.
- 2.7.9 In the event of any dispute of any nature, the decision of BHEL shall be final and binding on the Contractor.
- 2.8 Responsibility of the contractor in respect of local laws, employment of workers etc. The following are the responsibilities of the Contractor in respect of observation of local laws, employment of personnel, payment of taxes etc.
- 2.8.1 As far as possible, unskilled workers shall be engaged from the local areas in which the work is being executed.
- 2.8.2 The Contractor, at all times during the continuance of this contract, shall, in all his dealing with local labour for the time being employed on or in connection with the work, have due regard to all local festivals and religions and other customs.
- 2.8.3.1 The contractor shall comply with all State and-Central Laws, Statutory Rules, Regulations etc., such as; The payment of Wages Act, Minimum Wages Act, Workmen Compensation Act, Employers Liability Act, Industrial Act, Employees Provident Fund Scheme, Employees State Insurance Scheme, Contract Labour (Regulation and Abolition) Act 1970 and other Acts, Rules and Regulations for labour as may be enacted by the government during the tenure of the contract and having force or jurisdiction at site. The contractor shall give to the Local Governing Body, Police and other relevant authorities all such notices as may be required by law.
- 2.8.4 The contractor shall pay all taxes, fees, license charges, deposits, duties, tools, royalty, commissions or other charges which may be leviable on account of any of his operations in executing the contract. In case, BHEL is forced to pay any of such taxes, BHEL shall have the right to recover the same from the contractor either from his bills or otherwise as deemed fit.
- 2.8.5 The contractor shall be responsible for provision of health and sanitary arrangements (more particularly described in the Contract Labour (Regulation and Abolition Act), safety precautions etc., as may be required for safe and satisfactory execution of the contract.
- 2.8.6 The contractor shall fulfil all his obligations in respect of accommodation including proper medical facilities for the personnel employed by him.

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- 2.8.7 The contractor shall be responsible for the proper behaviour at site and observance of all regulations by the staff employed by him.
- 2.8.8 The contractor shall ensure that no damage, is caused to any person/property of other parties working at site. If any such damage is caused, it is the responsibility of the Contractor to make good the losses or compensate for the same.
- 2.8.9 All the properties/equipments/components of BHEL/their client loaned "with or without deposit to the contractor in connection with the contract shall remain the properties of their client. The contractor shall use such properties for the purpose of execution of this Contract.. All such properties /equipments/components shall be deemed to be in good condition when received by the contractor unless he notifies within 48 hours to the contrary. The Contractor shall return them in good condition as and when required by BHEL/their client. In case of non-return, loss, damage, repairs, etc. the cost thereof, as may be fixed by the Site Engineer, will be recovered from the Contractor.
- 2.8.10 It is not obligatory on the part of BHEL to supply any tools and tackles or other materials other than those specifically agreed to do so by BHEL. However, depending upon the availability / possibility, BHEL's customer's handling equipment and other plants may be made available to the contractor on payment of the hire charges/free of charges as fixed, subject to the condition laid down by BHEL customer from time to time. Unless paid in advance, such hire charges, if applicable shall be recovered from contractor - full/Security Deposit in ONE installment.
- 2.8.11 The contractor shall not claim any compensation of the scope of the work, due to changes in design which curtails quantum.
- 2.8.12 The contractor shall fully indemnify BHEL against all claims of whatsoever nature arising during the course of erection/overhauling/performing work under the Contract.
- 2.8.13 In case the contractor is required to undertake any major work outside The scope of this contract, the rates payable shall be decided by BHEL Resident Engineer.
- 2.8.14 The contractor shall keep the area of work clean and shall remove debris etc. while executing day-to-day work. Upon completion of work the contractor shall remove from the vicinity of work all scrap, packing materials, rubbish, unused and other materials and deposit them in places to be specified by the BHEL Engineer. The contractor will also demolish all the hutments, sheds, offices, constructed and used by him and shall clean the debris. In the event of his failure to do so, the same will be arranged to be removed by the BHEL Engineer. The expenses thereof will be recovered from, the contractor.

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- 2.8.15 The contractor shall arrange and coordinate his work in such a manner as to cause no inconvenience to other agencies work in the area.
- 2.8.16 All safety rules and codes applied by the client/BHEL at site shall be observed by the contractor without exception. The contractor shall be responsible for the safety of the equipment/material and work to be performed by him and shall maintain all light, fencing guards, signs etc. or other protection necessary for the purpose. Contractor shall also take such additional precautions as may be indicated from time to time by the Engineer with a view to prevent pilferage, accidents, fire hazards and due precautions shall be taken against fire hazards and atmospheric conditions. Suitable number of clerical staff, watch and ward, store keepers to take care of the equipment, materials and Construction tools and tackles shall be posted at site by the contractor till completion of the work under this contract. The contractor shall arrange for such safety devices as are necessary for such type of work and carry out the requisite test of handling equipment, lifting tools & tackles etc. as per prescribed standards and practices.
- 2.8.17 The contractor will be directly responsible for payment of wages to his workmen. A pay roll sheet giving all the payments given to workers and duly signed by the contractor's representative should be furnished to BHEL Site office for record purpose.
- 2.8.18 The intent of specification is to provide services according to most modern and proven techniques and codes. The commission of specific reference to any method requirement or material necessary for the proper and efficient performance of work shall not relieve the contractor of the responsibility of providing such facilities to complete the work.
- 2.8.19 In case of any clause of the work for which there is no such specification as laid down in the contract, such work shall be carried out in accordance with the instructions and requirements of the Engineer.
- 2.8.20 No levy or payment or charge made or imposed shall be impeached by reason of any clerical error or by reason of any mistake in the amount levied or demanded or charges..
- 2.8.21 The detailed drawings, specifications, instruction manual, if any available with the BHEL Engineer will form part of tender specification. These documents will be made available for reference only to the contractor during execution of work.
- 2.8.22 Should any error or ambiguity be discovered in the specification or information, the contractor shall forthwith bring the same to the notice of BHEL before commencement of work. BHEL's interpretation in such cases shall be final and binding on the contractor.

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- 2.8.23 No idle labour charges will be admissible in the event of any stoppage caused in the work resulting in contractor's labour being rendered idle due to any cause of any type.
- 2.8.24 No over run charges shall be paid in the event of the completion period being extended for any reasons whatsoever.
- 2.8.25 It is possible that some repair/rectification, modification may be needed on the equipments to be overhauled/work to be performed under this specification, for reasons not attributable to the contractor. All such repair/rectification/modification work which can be done, with the available facilities at site shall be carried out by the contractor free of cost and no extra charges shall be paid to the contractor.
- 2.8.2 6 The quality and progress of work will be regularly reviewed. The schedule and progress of work will be given 10 the contractor in advance and ii will be the obligation of the Contractor to achieve the desired quality and progress of work by suitably reinforcing their labour force and/or by working extra hours or in more than one shift without any extra cost. Workmen found unsuitable for the work will be replaced immediately by the Contractor on being informed by. BHEL.
- IS.27 During the overhauling work under the Contract it is very essential that proper and adequate inspection should be made constantly to maintain the quality of workmanship so that any deviation from design dimension does not exceed permissible limits. The proper functioning of the Unit, while in operation, depends to a great extent on the above factors. The fact that effective supervision and inspection at the execution stage is less costly than any down time of running unit even for a short period need not be over-emphasized. For the details regarding alignment and permissible dimensional deviations in the subassemblies, BHEL Engineer may be consulted.
- 2.8.28 The contractor shall furnish weekly labour report showing by classification of number of employees engaged in various categories of work date wise and a progress report of work as required by BHEL Engineer.
- 2.8.29 The contractor shall execute the work in the most substantial and workman-like manner in stipulated time. Accuracy of work and timely execution are the essence of this contract. The contractor shall be responsible to ensure that the assembly and workmanship conform to the dimensions and clearances given in the drawings and/or as per instructions of BHEL Engineer.
- 2.8.30 The Contractor shall take all reasonable care to protect the materials and work till such time the Plant/equipment has been taken over by BHEL/their client. Where necessary, suitable temporary fencing and lighting shall have to be provided by contractor as a safety measure against accident and damage of

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property of BHEL. Suitable caution notices shall be displayed where access to any part may be deemed to be unsafe and hazardous.

- 2.8.31 It will be the responsibility of the contractor to ensure safe lifting of the equipments taking due precautions to avoid any accidents and damage to other equipments and personnel.

2.9 Consequences Of Cancellation

Whenever BHEL exercises its authority to terminate the Contract/withdraw a portion of work under the Clause 2.7 they may complete the work by any means at the contractor's risk and expense provided that in the event of the cost of completion (as certified by the Site Engineer which is final and conclusive) being less than the contract cost, the advantage shall accrue to BHEL and that if the cost of completion exceeds the money due to the Contractor under the Contract the contractor shall either pay the excess amount ordered by BHEL or the same shall be recovered from the contractor by any other means. This will be in addition to the forfeiture of Security Deposit and recovery of liquidated damages as per relevant clauses.

- 2.9.1 In case BHEL completes the work under the provision of this condition, the cost of such completion to be taken into account in determining the excess cost to be charged to the contract under this condition, shall consist of materials purchased, and/or labour, provided by BHEL with an addition of such percentage to cover supervision and establishment charges as may be decided by BHEL.

2.10 Insurance

- 2.10.1 BHEL/their customer shall arrange for insuring the materials/properties of BHEL, customer covering the risks during transit, storage, overhauling, erection and commissioning.

- 2.10.2 It is the sole responsibility of the contractor to insure his workmen against accident and injury while at work as required by relevant rules and to pay compensation, if any, to workmen as per Workmen's Compensation Act 1923. Contractor shall insure his staff against accidents. The work will be carried out in a protected area and all the rules and regulations of the client/BHEL in the area of project which are in force from time to time, will have to be followed by the contractor.

- 2.10.3 If due to negligence and/or non-observance of safety and other precautions, any accident/injury occurs to any other person/public, the Contractor shall have to pay necessary compensation and other expenses, if so decided by the appropriate authorities.

- 2.10.4 If due to Contractor's carelessness, negligence or non-observance of safety precautions damage to BHEL's /Customer's property and personnel should occur, and if

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BHEL is unable to recover, in full, cost from the Insurance Company, the balance, will be recovered from the contractor.

2.11 **Strikes And Lockouts**

The contractor will be fully responsible for all the disputes and other issues connected with his labour. In the event of the Contractor's labour resorting to strike or the contractor resorting to lock-out and if the strike or the lockout declared is not settled within a period of one week BHEL shall have the right to get the work executed employing its own labour or through any other agencies or both and the cost so incurred by BHEL, shall be deducted from the contractor's bills as per clause 2.7. For all purposes whatsoever the employees of the contractor shall not be deemed to be in the employment of BHEL.

2.12 **Force Majeure**

2.12.1 The following shall amount to Force Majeure

Act of God, Acts of any Government, War, sabotage, riots, civil commotion, police action, revolution, flood, fire cyclones, earthquake and epidemic and other similar causes over which the contractor has no control.

2.12.2 If the Contractor suffers delay in the due execution of the contractual obligation due to delays caused by Force Majeure as defined above, the agreed time of completion of the job covered by this contract or the obligations of the contractor shall be extended by a period of time equal to the period of delay provided that on the occurrence of any such contingency the contractor immediately reports to BHEL in writing the causes of delay and the contractor shall not be eligible for any compensation.

2.13 **Performance Guarantee**

The contractor shall guarantee against defects attributable to faulty workmanship or procedure adopted in the overhaul for items covered in the contract for a period of 06 month from the date of recommissioning of the set after the capital overhaul. The guarantee should cover all defects notified during this period and shall have to be attended to free of cost immediately or at the time our clients are able to give shut down of the set for the required period, when necessary. In case of failure of contractor to attend to the defects as and when required in time, BHEL shall arrange to attend the defects and the Charges: shall be levied to contractor's account & shall be recoverable from the security/ deposit progress payments.

2.14 **Arbitration**

All disputes between the parties to the contract arising out of or in relation to the contract, other than those for which the decision of the Engineer or of any other person is by the contract expressed to be final and conclusive, shall, after written notice by either party to the contract to other party be referred to sole arbitration of General Manager or his nominee. The arbitration shall be conducted in accordance with the provisions of the Indian Arbitration Act, 1940.

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The parties to the contract understand and agree that it will be no objection that the General Manager or the person nominated as arbitrator, had earlier in his official capacity to deal directly or indirectly with the matters to which the contract relates or that in the course of his official duties had expressed views on all or any of the matters in dispute of difference. The award of the arbitrator shall be final and binding on the parties to this contract.

In the event of the arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason or his award being set aside by the court for any reason, it shall be lawful for the GM or his successor, as the case may be, either to act himself as the Arbitrator or to appoint another arbitrator in place of the Outgoing arbitrator in the manner aforesaid.

The arbitrator may from time to time with the consent of both the parties to the contract enlarge the time for making the award.

Work under the contract shall be continued during the arbitration proceedings. The venue of the arbitration shall be the place from which the contract is issued or such other place as the arbitrator at his discretion may determine.

SECTION III**SPECIAL CONDITIONS OF CONTRACT****3.1 Quantum Of Work**

3.1.1 The scope of work given in the tender specification is only approximate and is liable to variation and alterations at the discretion of BHEL Resident Engineer. No compensation on this account shall be payable to the contractor unless specifically recommended by BHEL Resident Engineer as the variation forming major addition; the original scope of work. All repair/rectification work arising out normal wear and tear, seizure of parts etc. have to be done by contractor and the same will be covered by the scope of work of contract.

3.1.2 The scope of work details out of the major activities only. However as per the general maintenance requirement and site condition certain related activities may have to be carried out without any extra cost.

3.2 Commencement And Completion Of Work

The starting time and completion time is the essence of the tender As the time bound programme is firmly committed to customer the starting time and completion time should be strictly adhered to. It will not be possible to grant extension in completion time except in extra ordinary circumstances, which will be decided entirely at the discretion of BHEL Resident Engineer. Work should normally be carried out in two shifts and sometimes also in three shifts in consultation with BHEL Resident Engineer.

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A detailed programme of the various activities covered under this contract with specific time periods' to fall in the overall frame work of the above dates should be prepared and got approved by BHEL Resident Engineer. The progress against this programme shall be reviewed with BHEL Resident Engineer at the end of each day and critical areas identified and suitable steps taken in time.

If during the review, at any stage of overhauling, BHEL Resident Engineer feels that the delays are not likely to be made up, BHEL reserves the right to take corrective steps as considered necessary by BHEL Resident Engineer to complete work in scheduled time and debit the cost incurred thereon to the contractor. This does not however absolve the contractor of his responsibilities to make up the delays through his own efforts in consultation with BHEL Resident Engineer. Every endeavor will be made to see that work proceed-uninterruptedly.

3.2.2 The tenderers should indicate the time required for starting the work once the letter of intent is issued and the time required for completion. The work may have to commence immediately after opening of the tenders. Hence preference may be given to those tenderers who can commence the work earlier, and also ensure early completion.

3.2.5 The contractor shall ensure completion of the job in all respects within the days from the date of commencement of WORK as given in contract.

3.3 **Penalty For Delay**

3.3.1 In the event of failure to complete the work in given time, an amount equal to 1/2% of the contract value per day subject to a maximum of 10% of the contract value will be levied as penalty, in case the balance work is allowed to be completed by the contractor beyond the schedule time of completion, which is at the discretion of BHEL. In case of delays on contractor's part, at any stage during the scheduled period or after, **BHEL** shall have the option of ensuring completion of the job by any other means at its disposal and the charges on this account shall be levied on the contractor. These shall be adjusted against contractor's bills or security deposit.

3.4 **Terms Of Payment**

3.4.1 **Revised & as per Tender document.**

3.5 **Inspection And Completion Of Work**

The work being carried out by the contractor will be supervised and inspected by our Site Engineers under the overall supervision of BHEL Resident Engineer.

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3.5.1 The work will be deemed as complete when it is finally accepted by BHEL Resident Engineer and job completion certificate is issued. No extra payment will be made for any rework carried out by the contractor to rectify and defective work.

3.5.2 The contractor shall not be entitled for labour idling charges under any circumstances.

3.6 Tools, Tackles, Test Equipments And Consumables

3.6.1 All tools and tackles and consumables required for day-to-day work like gas and gas cutting sets with accessories, AC/DC Welding sets, TIG Welding kits, Welding Cables, Electrodes, all necessary power-connections to equipments, all temporary electrical connection boards, required for the work shall be arranged by the contractor at his own cost. However, in case of emergency BHEL may supply certain items, if available, to contractor at actual cost plus handling charges. These will be deducted from contractor's running bills. Testing equipment for conducting various tests, during the progress of overhauling / recommissioning shall have to be provided by the contractor. Spare parts going in the permanent installation shall only be provided by BHEL.

3.7 Accommodation For Site Staff And Stores Space

3.7.1 Contractor has to arrange for the stores and office at site. Space shall be made available as per the availability at site. The contractor shall be responsible to provide all necessary facilities like residential accommodation with sanitary facilities, transport, electricity, water, medical, bonus etc. as required under various labour laws and statutory rules and regulations framed there under to the personnel employed by him.

3.8 Responsibilities Of The Contractor

3.8.1 Supervisory staff and labour :

The contractor shall employ, specially skilled labour, supervisors and engineers thoroughly conversant with particular type of work to ensure quality work. BHEL reserves the right to decide the suitability of the workers and other staff employed by the contractor. BHEL reserves the right to insist on removal of any employees of the contractor at any time if they find him unsuitable and the contractor should forthwith remove him.

3.8.2 Planning And Execution

Contractor shall submit a job planning in form of a Bar Chart or PERT Chart. A list of manpower category wise, indicating individuals responsibility job activity wise, shall have to be submitted. Daily programme of job shall be displayed on a board near work site one day in advance. A daily progress report along with man power utilized has to be submitted and backlog of work, if any, shall be covered up in consultation with BHEL Resident Engineer.

B.H.E.L**3.8.3 Safety Of Men, Equipment, Material And Environment**

Contractor shall ensure safety to all his employees at site of work. All employees shall be covered by insurance (workmen compensation) against accident, failing which proper action will be taken against the contractor Contractor shall ensure proper safety of the equipments under overhauling by deputing personnel to guard the equipments round the clock. Open oil spaces, steam spaces shall be covered properly against ingress of foreign materials while working. Before commencing the work, contractor shall submit a "SAFETY PLAN" to the authorized BHEL official. The "Safety Plan" shall indicate in detail the measures that would be taken by the contractor to ensure safety of men, equipment, material and environment during execution of the work. The plan shall take care to satisfy all requirements specified hereunder. The contractor shall submit safety plan along with his offer. During negotiations before placing of work order and during execution of the contract BHEL shall have right to review and suggest modifications in the safety plan. Contractor shall abide by BHEL decision in this respect.

3.8.3.1 The contractor shall take all necessary safety precautions and arrange for appropriate appliances as per direction of BHEL or its authorized officials to prevent loss of human lives, injuries to personnel engaged, and damage to property and environment.

3.8.3.2 The contractor shall provide to its work force and ensure the use of the following personal protective equipment as found necessary and as directed by the authorized BHEL officials :

- i) Safety Helmets conforming to prevailing Indian standards.
- ii) Safety Belts conforming to prevailing Indian standards,
- iii) Safety shoes conforming to prevailing Indian standards.
- iv) Eye and Face protection devices conforming to prevailing Indian standards.
- v) Hand and Body protection devices conforming to prevailing Indian standards .

3.8.3.03 All tools, tackles, lifting appliances, material handling equipments, scaffolds, cradles, safety nets, ladders, equipments etc. used by the contractor shall be of safe design and construction. These shall be tested and certificate of fitness obtained before putting them to use and from time to time as the instructed by authorized BHEL official who shall have he right to ban the use of any item.

3.8.3.04 All electrical equipments, connections and wiring for construction power, its distribution and use shall conform to the requirements of Indian Electricity Act and Rules. Only electricians licensed by the appropriate statutory authority shall be employed by the contractor to carry out all types of electrical works. All electrical appliances including portable electric tools

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used by the contractor shall have safe plugging system to source of power and be appropriately earthed.

- 3.8.3.05 The contractor shall not use any hand lamp energized by electric power with supply voltage of more than 24 volts. For work in confined spaces, lighting shall be arranged with power source of not more than 24 volts.
- 3.8.3.06 The contractor shall adopt all fire safety measures as laid down in the "Code for Fire Safety at Construction Sites" issued by the Safety Department of the Construction Management (HQ) of BHEL and as per Directions of the authorized BHEL official. A copy of the above referred "Code for Fire Safety at Construction Sites" shall be made available by BHEL to the Contractor for reference, on demand by the contractor, during tendering stage itself.
- 3.8.3.07 Where it becomes necessary to provide and/or store petroleum products, explosives, chemicals and liquid or gaseous fuel or any other substance that may cause fire or explosion, the contractor shall be responsible for carrying out such provisions and/or storage in accordance with the rules and regulations laid down in the relevant government acts, such as Petroleum Act, Explosive Act, Petroleum and Carbides of Calcium Manual of the Chief Controller of Explosives, Govt. of India, etc. Prior approval of the authorized BHEL official at the site shall also be taken by the Contractor in all such matters.
- 3.8.3.08 The contractor shall arrange at his cost (wherever not specified) appropriate illumination at all work spots for safe working, when natural daylight may not be adequate for clear visibility.
- 3.8.3.09 The contractor shall be held responsible for any violation of statutory regulations (local, state or central) and BHEL instructions, thru may endanger safety of men, equipment, material and environment in his scope of work or another contractor's or agency's. Cost of damage if any, to life and property arising out of such violation of statutory regulations and BHEL instructions shall be borne by the contractor.
- 3.8.3.10 In case of a fatal or disabling injury, accident to any person at construction sites due to lapses by the contractor, the victim and/or his/her dependents shall be compensated by the contractor as per statutory requirements. However, if considered necessary, BHEL shall have the right to impose appropriate financial penalty on the contractor and recover the same from payments due to the contractor for suitably compensating the victim and/or his/her dependents. Before imposing any such penalty, appropriate enquiry shall be held by BHEL giving opportunity to the contractor to present his case.
- 3.8.3.11 In case of any damage to property due to lapses by the contractor, BHEL shall have the right to recover cost of such damages from payments due to the contractor after holding an appropriate enquiry.

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3.8.3.12 In case of any delay in the completion of a job due to mishaps attributable to lapses by the contractor, BHEL shall have right to recover cost of such delay from payments due to the contractor, after notifying the contractor suitably and giving him opportunity to present his case.

3.8.3.13 The contractor shall submit report of all If the contractor fails to improve the standards of safety in the operation to the satisfaction of BHEL after being given a reasonable opportunity to do so; and/or if the contractor fails to take appropriate safety precautions or to provide necessary safety devices and equipment or to carry out instructions regarding safety issued by the authorized BHEL official, BHEL shall have the right to take corrective steps at the risk and cost of the contractor after giving a notice of not less than seven days indicating the steps that would be taken by BHEL accidents, fires and property damage dangerous occurrences to the authorized BHEL official immediately after such occurrence, but in any case not later than twelve hours of the occurrence. Such reports shall be furnished in the manner prescribed by BHEL.

In addition, periodic reports on safety shall also be submitted by the contractor to the authorized BHEL official from time to time as prescribed.

3.8.3.15 Before commencing the work, the contractor shall appoint / nominate a responsible officer to supervise implementation of all safety measures and liaison with his counterpart of BHEL.

3.8.3.16 If Safety record of the contractor in execution of the award job is to the satisfaction of Safety Department of BHEL, issue of an appropriate certificate to recognise the safety performance of the contractor may be considered by BHEL after completion of the job.

3.8.4 **House Keeping And Preservation**

Work/floor/area shall be cleaned every day and be kept absolutely clean. A regular cleaning gang may be engaged for the purpose.

All dismantled components of the equipments under overhauling should be tag marked and be stored properly according to type of components, namely all loose/small parts shall be kept in boxes, bearing and matching components shall be kept on wooden planks. A list of such components shall be maintained to identify/locate the components easily. Bearings journals, machined parts shall be preserved properly against probable damages.

No floor shall be damaged while working and necessary steps shall be taken by the Contractor for repair in case of any damage.

3.8.5 **Tool Stores And Consumables**

All tools and tackles, other than special tools and tackles supplied along with the equipments, shall be arranged and stored properly by the contractor. A register must be maintained and updated regularly.

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All consumables, other than those going permanently into the equipments, shall be stored by the contractor for daily use. Regular check shall be made at end of each day's work and exhausted consumables shall be replenished immediately.

The store may be visited by BHEL engineers without notice for verification.

3.8.6 The contractor shall make all necessary arrangement to receive spares

3.8.7 From BHEL/ Customer's stores, as and when required. The unused and scrap materials shall be returned to BHEL / Customer's stores on completion of the work.

A detailed account shall be submitted by the contractor to this effect at the end of the work certifying no dues remained against them duly signed by Resident Engineer BHEL/Customer.

3.9 **General**

3.9.1 Standard printed conditions if enclosed with the offer by the tenderers will not be accepted and only those in main body of the offer will be considered for acceptance.

3.9.2 The tenders are likely to be rejected if the tenderer is not acceptable to the ultimate customer.

3.9.3 It will be the responsibility of the contractor to carry out trial run of all the equipments overhauled and confirm the satisfactory operation of equipment. The contractor's personnel shall also be present at the time of final commissioning and attend to any defects that shall occur during this time.