



BHEL, BHOPAL

CIM DIVISION

Page 1 of 18

GENERAL TERMS AND CONDITIONS**REV. 00****1.0 DEFINITIONS:-**

The following terms and expressions shall have the meaning hereby assigned to them except where the context otherwise requires.

- 1.1 'BHEL'** shall mean Bharat Heavy Electricals Limited, a Company registered under the Indian Companies Act, 1956 with its Registered Office at BHEL House, Siri Fort, New Delhi, Pin-110049 through its office at Piplani, Bhopal – 462022 or its authorised Officers or its Engineers or other employees authorised to deal with any matters with which these persons are concerned on its behalf.
- 1.2 'CONTRACTOR'** shall mean the individual, firm or Company who enters into contract with BHEL for providing the services as per this Tender and shall include their executors, administrators, successors and permitted assigns.
- 1.3 'CONTRACT' or 'CONTRACT DOCUMENT'** shall mean and include the agreement, the work order, the accepted appendices of rates, schedules of quantities, if any, General Terms & Conditions of the Contract, Special Conditions of the contract, Instructions to Bidders, drawings, technical specifications, the special specifications, if any, & the Letter of Intent / acceptance letter issued by BHEL. Any conditions or terms stipulated by the bidder in the tender documents or subsequent letters shall not form part of the contract unless specifically accepted in writing by BHEL in the letter of intent and incorporated in the Work Order.
- 1.4 'TENDER DOCUMENTS'** shall mean Instruction to Tenderers, General Terms & Conditions, Special Conditions and Price Schedule.
- 1.5 'LETTER OF INTENT'** shall mean the intimation by a letter / telegram / fax to the tenderer that the tender has been accepted in accordance with provision contained in that letter. The responsibility of the contractor commences from the date of issue of this letter and all the terms and conditions of contract are applicable from this date.
- 1.6 'COMPLETION TIME'** shall mean the period specified in the Letter of Intent or date mutually agreed upon for completing the work / services stipulated in the work order to the satisfaction of the Engineer being of required standard and conforming to the specifications of the contract.
- 1.7 'APPROVED, DIRECTED or INSTRUCTED'** shall mean approved, directed or instructed by BHEL Engineer / Site Engineer / Project- in-charge/ Engineer-in-Charge.
- 1.8 'WORK' or 'CONTRACT WORK'** shall mean and include the work to be done by the Contractor as specified in the Tender documents.

- 2.0 'LAW GOVERNING THE CONTRACT AND COURT OF JURISDICTION'** The contract shall be governed by the law for the time being in force in the Republic of India. The Civil Court at Bhopal shall alone have exclusive jurisdiction in regard to all claims in respect of this Contract.

- 3.0** The bidder shall give an undertaking under the official secret Act from maintaining secrecy of the tender documents, drawings or other records connected with the work given to him. The unsuccessful bidder shall return all the drawings / documents given to them.

ISSUES OF NOTICE

- 4.0** The Contractor shall furnish to the Engineer, the name designation and address of his authorised agent INCHARGE OF Project and all complaints, notices, communications and references shall be deemed to have been duly given to the Contractor, if delivered to the Contractor or his authorised agent or left at or posted to the address either of the



BHEL, BHOPAL

CIM DIVISION

Page 2 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

contractor or his authorised agent and shall be 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 at which they were so delivered or left.

5.0 FACILITIES TO BE PROVIDED BY BHEL

- 5.1** BHEL shall be providing seating arrangement with Auto Phone facility to the supervisor deployed by the contractor inside the factory premises.
- 5.2** BHEL shall be providing all assistance in getting the gate passes issued for the work men deployed by the contractor for entry into factory premises.
- 5.3** BHEL shall be providing an identified area inside the factory premises for keeping cleaning equipment, machineries and consumables. However the safety and security of these items shall be sole responsibility of the contractor.

6.0 EARNEST MONEY

- 6.1** Every tender must be accompanied by the prescribed amount of Earnest Money Deposit (as given in NIT) in full through following modes:

- 6.1.1** Cash deposit as permissible under the extent Income Tax Act (before tender opening)
- 6.1.2** Electronic fund transfer credited in the BHEL account (before tender opening)
- 6.1.3** Banker's cheque/Pay order/Demand Draft, in favour of BHEL(along with offer)
- 6.1.4** Fixed Deposit Receipt(FRD) issued by Scheduled Banks / Public Financial Institutes as defined in the Companies Act (FDR should be in the name of the Contractor, a/c BHEL)

In addition to above, the EMD amount in excess of Rs.Two Lakh may also be accepted in the form of Bank Guarantee from scheduled bank. The Bank Guarantee in such cases shall be valid for atleast six months.

Tenders received without Earnest Money in full or not in the manner prescribed above will not be considered.

- 6.2** The Earnest Money Deposit of the successful bidder will be retained towards part of Security Deposit.
- 6.3** In the case of unsuccessful bidder, the Earnest Money will be refunded after finalisation of the tender.
- 6.4** BHEL reserves the right of forfeiture of Earnest Money Deposit as per the NIT conditions, if:
 - 6.4.1** After opening of the tender and within the offer validity period, the tenderer revokes his tender or makes any modification in his tender which is not acceptable to BHEL.
 - 6.4.2** The contractor fails to deposit the required Security deposit or commence the work within the period as per LOI/ Contract.
- 6.5** EMD shall not carry any interest.
- 6.6 One time EMD of Rs.5 Lakh is also acceptable.**
- 6.7 Tender fee and EMD is not applicable for MSE vendors.** Vendors have to submit latest MSE certificate in this regard.

7.0 SECURITY DEPOSIT

The total amount of Security Deposit will be 3% of the contract value. EMD of the successful tenderer shall be converted and adjusted towards the required amount of Security Deposit.

7.1 Modes of deposit:

The balance amount to make up the required Security Deposit of 3% of the contract value may be accepted in the following forms:

- i) By e-mode
- iii) Bank Guarantee from Scheduled Banks/ Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL.



BHEL, BHOPAL

CIM DIVISION

Page 3 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

iv) Fixed Deposit Receipt issued by Scheduled Banks/ Public Financial Institutions as defined in the Companies Act (FDR should be in the name of the Contractor, a/c BHEL)
v) Securities available from Indian Post offices such as National Savings Certificates, Kisan Vikas Patras etc. (held in the name of Contractor furnishing the security and duly endorsed/ hypothecated/ pledged, as applicable, in favour of BHEL)
(Note: 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)

7.1.1 Collection of Security Deposit:- At least 50% of the required Security Deposit, including the EMD, should be deposited before start of the work. Balance of the Security Deposit can be collected by deducting 10% of the gross amount progressively from each of the running bills of the Contractor till the total amount of the required Security Deposit is collected.

(Note: In case of (a) small value contracts not exceeding ` 20 lakhs or (b) SAS jobs, work can be started before the required Security Deposit is collected. However, payment can be released only after collection/ recovery of initial 50% Security Deposit).

7.1.2 Bidder have to submit performance security required for execution of the contract within the time period as mentioned. In case of delay in submission of performance security, enhanced performance security which would include interest (SB/ rate + 6%) for the delayed period, shall be submitted by the bidder. Further, if performance security is not submitted till such time the first bill becomes due, the amount of performance security due shall be recovered as per terms defined in NIT I contract, from the bills along with due interest.

7.2 Security Deposit shall be released to the Contractor upon fulfilment of contractual obligations as per terms of the contract.

7.3 The Security Deposit shall not carry any interest.

7.4 If the value of the work order at any time exceeds the accepted Contract value, the Security Deposit shall be correspondingly enhanced and the extra Security Deposit shall be immediately deposited by the Contractor otherwise it shall be recovered from payments due to him. Failure to deposit the Security Deposit within the stipulated time may lead to forfeiture of Earnest Money and cancellation of the award of work. BHEL reserves the right of forfeiture of Security Deposit in addition to other claims and penalties in the event of the Contractor's failure to fulfil any of the contractual obligations or in the event of termination of contract as per terms and conditions of contract. BHEL reserves the right to set off the Security Deposit, against any claims of any other contracts with BHEL.

8.0 RETURN OF SECURITY DEPOSIT:

If the contractor fully performs and completes the works in all respects to the entire satisfaction of BHEL and presents an absolute "No Demand Certificate" in the prescribed form and returns properties belonging to BHEL taken, borrowed or hired by him for carrying out the said works, the full amount of Security Deposit will be released to the contractor after deducting all costs, expenses and other amounts that are to be paid to BHEL under this or other contracts entered into with the Contractor. It may be noted that in no case the Security Deposit will be refunded / released prior to passing of final bill.

9.0 INTEREST CHARGES: No interest shall be payable by BHEL on Earnest Money, Security Deposit / or on any moneys due to the Contractor by BHEL.

10.0 COMMENCEMENT & COMPLETION OF WORK



BHEL, BHOPAL

CIM DIVISION

Page 4 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

The contractor shall commence the work within the time indicated in the Letter of Intent and shall proceed with the same with due expedition without delay. No mobilisation charges of any kind are payable.

10.1 At the time of mobilisation of work at site, the contractor is required to submit the Copies of following documents to site Engineer for verification:

10.1.1 BG as per contract, if applicable.

10.1.2 List of equipment, plant & machinery to be deployed

10.1.3 Valid Insurance Policy covering third party liability, workmen compensation & Equipment/vehicle brought to site.

10.1.4 List of workmen and supervisor to be deployed at site. Mobile No. of supervisor is to be given

10.1.5 Labour Licence as applicable.

10.2 If the successful bidder fails to commence the work within the stipulated time, BHEL at its sole discretion will have the right to cancel the contract and no claim shall be entertained on this account.

10.3 The Earnest money and / or Security Deposit will stand forfeited without any further reference to the Contractor without prejudice to any of BHEL's other rights and remedies in this regard.

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

10.5 Agreement Signing:

The firm will be required to sign a contract with BHEL on a proper Non-judicial stamp paper of value Rs.500, in a prescribed format as per annexure "F". The cost towards agreement shall be borne by the firm.

11.0 RIGHTS OF BHEL

BHEL reserves to itself the following rights in respect of this Contract without entitling the Contractor to any compensation.

11.1 To get the work done through another agency at the risk and cost of Contractor, in the event of Contractor not starting the work in time, poor performance of work, persistent disregard of instructions of BHEL, assignment transfer, or subletting of the contracted work without written permission of BHEL, non-fulfilment of any contractual obligations etc. and to claim /recover compensation for such losses from the contractor including BHEL's supervision charges and overheads from Security Deposit / other dues in addition to any other action that may be taken.

11.2 To withdraw any portion of work and / or to restrict / alter quantum of work as indicated in the contract during the progress of work and get it done through another agency and / or by the departmental staff to suit BHEL's requirements.

11.3 To terminate the contract after due notice and forfeit the Security Deposit and recover the loss sustained in getting the balance work done through other agencies in addition to liquidated damages in the event of:

- Contractor's continued poor performance, withdrawal from or abandonment of the work before the completion of contractual period.
- Corrupt act of the contractor.
- Insolvency of the contractor. Persistence disregard of the instructions of BHEL.



BHEL, BHOPAL

CIM DIVISION

Page 5 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

- d) Assignment, transfer, subletting of the contract work without BHEL's written permission.
- e) Non-fulfilment of any contractual obligations or obligations under the law. To effect recoveries from any amounts due to the contractor under this or any other contract or in any other from the moneys which BHEL is forced to pay to anybody due to contractors failure to fulfil any of his obligations.
- 11.4 To deploy BHEL's skilled and/ or semi-skilled workmen in case of emergency / poor progress / deficiency in skill on the part of the employees of the contractor and to recover the expenditure on account of the same from the money due to the contractor.

12.0 RESPONSIBILITIES OF CONTRACTOR.

- 12.1** The contractor should follow the prevailing industrial / labour laws as amended from time to time and shall also take all safety measures required during the execution of this order. The contractor shall provide all safety appliances required to his workmen deployed on job and shall ensure the use of the same meticulously.
- 12.2** The Contractor shall be fully responsible for the performance of the equipment and workmen deployed by them. The work shall be executed strictly in accordance with the directions and instructions which shall be given to the Contractor by the BHEL from time to time.
- 12.3** In the first month of the work order the contractor shall provide uniform, shoes and helmet to workers and provide an undertaking on this regard to the department.
- 12.3.1** HOD shall endorse and ensure the undertaking.
- 12.3.2** Finance will process the first bill only on the production of the undertaking.
- 12.3.3** In case of non-compliance beyond second month the contractor shall be issued notice of termination of the contract.

13.0 PROVIDING WORKMEN & SUPERVISORY PERSONNEL

The following are the responsibilities of the contractor in respect of observance of local laws, employment of personnel, payment of taxes etc: -

- a) The contractor shall engage sufficient staff to execute the work at required pace with quality and safety.** If workers are required to be engaged, the same shall be engaged, as far as possible, from local areas in which the work is being executed. Claim for idle labour due to non-issuance of passes for entry into factory premises will not be entertained as the primary responsibility lies with the contractor for arrangement of gate passes for their workmen and equipment/vehicle. The contractor is supposed to take advance action in this regard. During the continuance of this contract, the contractor shall have due regard to all local festival, religious events and other customs, in all his dealings with the local labour for the time being employed on or in connection with the work.
- b)** The Contractor shall comply with all local, state and central laws, statutory rules, Regulations, etc., such as the payment of wages Act, the Minimum Wages Act, The Workmen's Compensation Act, The Employer's Liability Act, The Industrial Disputes Act, The Employees Provident Fund Act, Employees State Insurance Scheme, The Contract labour (Regulations and Abolition) Act, 1970 and other Acts, Rules and Regulations for labour as may be enacted by the Government during the tender of the Contract and having force or jurisdiction at work site.
- c)** The Contractor, in the event of the Contract engaging 20 or more workmen, shall obtain independent license under the Contract Labour (Regulations and Abolition) Act, 1970 from the concerned authorities based on the certificate (Form V) issued by the Principal employer.
- d)** The contractor shall pay all taxes, fees, license charges which are be applicable to him.
- e)** All safety rules and codes applied by BHEL shall be observed by the contractor and his workmen without exception. The contractor shall be responsible for the safety of personel, equipment/material and work to be performed by him. The contractor shall be



BHEL, BHOPAL

CIM DIVISION

Page 6 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

responsible for proper accommodation including adequate medical facilities for the personnel employed by him.

- f) The contractor shall ensure that no damage is caused to any person/any existing work/property of BHEL/other parties working inside the factory. If any such damage is caused, it shall be the responsibility of the contractor to make good the losses and compensate the affected parties at his own cost.
- g) All the properties/equipment/components of BHEL loaned with or without deposit, to the contractor shall remain the properties of BHEL. The contractor shall use such properties for the purpose of execution of this contract. The contractor shall return them in good conditions as and when required by BHEL. In case of non-return, loss, damaged, repairs, etc., cost thereof, as may be fixed by the Engineer, will be recovered from the contractor.
- h) The contractor shall fully indemnify BHEL/its customer against all claims of whatever nature arising during the course of execution of this contract due to the acts of contractor/his personnel.
- i) In case the contractor is required to undertake any work outside the scope of this contract, the amount payable shall be mutually agreed upon.
- j) The contractor will be directly responsible for payment of wages to his workmen. A payroll sheet giving details of all payments made to the workmen duly signed by the contractor's representative be furnished to BHEL for record purpose.
- k) In case there is no specification laid down in the contract for a class of work, such work shall be carried out in accordance with the instructions and requirements of the Engineer.
- l) Contractor shall not stop work or abandon the site for whatsoever reason or dispute, excepting for force majeure conditions. All problems/dispute shall be separately discussed and settled without affecting the progress of work.
Stoppage or abandonment of work, other than under force majeure conditions, shall be treated as breach of contract and dealt with accordingly.
- m) The contractor shall furnish fortnightly labour deployment report indicating the classification and number of workmen engaged, date-wise and category-wise.
- n) Smart card for entry into BHEL Factory would be required for all the persons deployed by the contractor. Special permission would be required for working beyond normal working hours. The contractor shall be arranging the passes and working permission beyond normal working hours on their own. BHEL Engineer shall provide necessary help and guidance for the same. Normal working hours in the plant is 8 hours.
- o) The contractor has to ensure that the people deployed by them restrict their movement in the area earmarked. For movement in area other than earmarked prior permission of BHEL Engineer is required. The contractor shall abide by all the rules and regulations of BHEL Bhopal.

14.0 STRIKES AND LOCKOUTS

- a) The contractor will be solely responsible for all disputes and other issues connected with his workmen. In the event of contractor's workmen resorting to strike or the contractor resorting to lockout and, if the strike or lockout so declared is not settled within a period of one month, BHEL shall have the right to get the work executed employing its own men or through other agencies or both. The cost incurred by BHEL in this regard shall be recovered from the contractor.
- b) For any purpose whatsoever, the employees of the contractor shall not be deemed to be in the employment of BHEL.

15.0 FORCE MAJEURE

Notwithstanding anything contained in the contract, neither BHEL nor the Contractor shall be held responsible for total or partial non-execution of any of the contractual obligations, should the obligation become unreasonably onerous or impossible due to occurrence of a 'Force Majeure' which directly affects the



BHEL, BHOPAL

CIM DIVISION

Page 7 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

obligations to be performed by the BHEL or the contractor; Such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosion, epidemics, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities; over which the BHEL or the contractor has no control.

The party claiming to be affected by force majeure shall notify the other party in writing without delay, within two weeks from the occurrence of such situation and on the cessation thereof. Extension of time sought by the contractor along with supporting evidence and so granted by BHEL for the work affected, if any, shall not be construed as waiver in respect of remaining execution. Rescheduling of execution on account of force majeure conditions, if so agreed by BHEL, will not entail the contractor to claim any increase in the price on whatsoever account.

Notwithstanding above provisions, BHEL shall reserve the right to cancel the Contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements. If deemed necessary, BHEL may takeover partly processed work at a mutually agreed price".

16.0 Settlement of Disputes:

- 16.1 Except as otherwise specifically provided in the contract all disputes concerning questions of fact arising under the contract shall be decided by the engineer subject to a written appeal by the contractor to the engineer, whose decision shall be final to the parties hereto.
- 16.2 Any disputes or differences including those considered as such by only one of the parties arising out of or in connection with the contract shall be to the extent possible settled amicably between the parties.
- 16.3 If amicable settlement cannot be reached then all disputed issues shall be settled by arbitration as provided in relevant clause.

16.4 Conciliation Clause :

The Parties agree that if at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which term shall mean and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the agreement, contract or the Memorandum of Understanding (delete whichever is inapplicable), which the Parties are unable to settle mutually), arise inter-se the Parties, the same may, be referred by either party to Conciliation to be conducted through Independent Experts Committee to be appointed by competent authority of BHEL from the BHEL Panel of Conciliators.

A) No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.

B) Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in BHEL Conciliation Scheme 2018.



BHEL, BHOPAL

CIM DIVISION

Page 8 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

17.0 ARBITRATION

- 17.1 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 in the Contract or any other person is expressed to be final and conclusive, shall after written notice by either party to the contract to the other party, be referred to sole arbitration of the General Manager or his nominee. The Arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Reconciliation Act, 1996.
- 17.2 The parties to the Contract understand and agree that there will be no objection that the General Manager or the person nominated as arbitrator had earlier in his official capacity directly or indirectly dealt 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 or difference. The award of the arbitrator shall be final and binding on the parties to this contract.
- 17.3 The arbitration proceedings shall be held at Bhopal.

18.0 Benefits earmarked for Micro & Small Enterprises (MSEs)

18.1 Tender documents shall be issued free of cost & no EMD wherever called for will be insisted upon. MSE bidders shall submit along with bid relevant documents w.r.t. their respective MSE status as per extant norms. Date to be reckoned for determining the deemed validity will be the last date of Technical bid submission. Non-submission of such document will lead to consideration of their bid, at par with other bidders and MSE status of such bidders shall be shifted to Non- MSE supplier till the supplier submit these documents.

18.2 In tender, participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply up to 25% of total tendered value. In case of more than one such MSE, the supply shall be shared proportionately. A quantum of 6.25% out of 25% quantity, so earmarked, will be reserved for MSE's owned by SC / ST entrepreneurs who submit their bid with relevant documents provided that in event of failure of such MSE(s) to participate in tender process or meet tender requirements and L1 price, 6.25% sub-target for procurement earmarked for MSE(s) owned by SC or ST entrepreneurs shall be met from other MSE(s). In case of indivisible tender the full quantity shall be awarded to L1. WORKS CONTRACTING DEPARTMENT, BHEL, Bhopal Page 5 of 8 General Terms and Conditions.

18.3 Minimum 3% reservation for women owned MSEs within the above mentioned 25% reservation.

18.4 If an enterprise falling under MSE category as defined in the MSMED Act 2006, graduates to a higher category from it's original category or beyond the purview of the Act, it shall continue to avail all non-tax benefits of it's original category notified by the Ministry of Micro, Small and Medium Enterprise for a period of three years from the date of such graduation to the higher category.

18.5 MSE suppliers can avail the intended benefits only if they submit along with the offer, attested copies of either EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with attested copy of a CA certificate (As per BHEL Format, where deemed validity of EM II certificate of five years has expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of bid opening (Part 1 in case of two part bid). Non submission of such documents will lead to consideration of their bid at par with other bidders. No benefits shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through e-procurement portal, then the above required documents are to be uploaded on the portal. Documents should be notarized or attested by a Gazetted officer.

19.0 DOS AND DON'TS FOR WORKS CONTRACTS INSIDE THE FACTORY AS PER CONTRACT LABOUR CELL NO. BP/HR/CLC/2012 03.05.2012

19.1 BHEL reserves the right to reject any labour who is technically unsuitable.



BHEL, BHOPAL

CIM DIVISION

Page 9 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

19.2 Attendance Record of contract workers

- Contractor shall maintain an Attendance Register against each work order in respect of the contract labourers deployed by him and made available when required by Inspection agencies. The contractor shall record the daily attendance of the workers.
- The register shall bear the daily signature of the contract workers & contractor.
- The register shall at all the times of work be available at the place of work/deptt.
- If during any inspection, the attendance register is not found at the place of work, the contract is liable to be short closed/ terminated.
- Attendance register shall be maintained in the format of Form No XVI as per CL (R&A) Central rules 1971 and available on CLC web page.

19.3 Wage record of contract workers

- Each contractor shall maintains a Wage Register against each work order in respect of the contract labourers deployed by him in that department.
- Wage Register shall be maintained in the format of Form No. XVII/XVIII as per CL (R&A) Central Rules 1971 and available on CLC web page.
- The Wage Register shall be based on the Attendance Register as mentioned above.
- Every contractor shall issue Wage Slip to each contract worker every month on the last day of the wage month. Wage slip shall be as per the CLC format available at CLC Web page.
- The Contractor shall be responsible for making payment of wages through Bank/Cheque before expiry of 7 days from the last day of wage period. Any default on this has serious legal complications including prosecution and payment of fine (upto 10 times). Situation with respect to each work order will be reviewed every month.
- Wage Register shall bear the PF and ESI nos. of the workers.
- Wage sheet for every wage period should bear certification from the contracting executive that- "Certified that the amount shown in column no.has been paid to the workman concerned in my presence on (date) at(place)" which is mandatory to ensure that the payment of wages to the workers has been made on the notified date and place in the presence of the Contract Issuing Authority or his nominated executive.
- Non receipt of payment from BHEL or any other unsettled issue with HEL or any other entity shall not be a pre-condition for payment of wages. Complaints of short payments and non-payment of wages shall be viewed seriously and may result in cancellation of tender and penal action including blacklisting. Entry with pencil or blank spces in wage sheet shall not be acceptable. If contractor has two or more contracts, the name of a worker shall appear in only one wage sheet for a given period. Contractor shall make efforts to provide PF & ESI no. of their workers on the wage sheet itself.

19.4 Payment of wages : Contractor shall ensure payment of statutory prescribed minimum wages alongwith additional wages as recommended by BHEL.

Wages shall be paid to workers through bank account.

19.5 Compliance of PF/ ESI

- Contractor shall file the electronic return of PF/ ESI and submit proof of payment of both the employer's and employees' contributions every month. (PF has to be remitted by 15th and ESI by 21st of the succeeding month).
- Contractor shall submit the challan along with copy of a self-certified list of contract workers of the work order bearing their names and PF/ESI no. for whom the contribution has been



BHEL, BHOPAL

CIM DIVISION

Page 10 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

submitted by him for the said period. Such list shall be displayed in the notice board of the department.

- The contractor shall duly ensure coverage of its labours under PF Act 1952, ESI Act 1948, Payment of Bonus Act 1963, MP Labour Welfare Fund Act laws as is enforced from time to time. Any contractor failing to comply with the statutory requirements as mentioned above is liable to such penal action as is deemed fit and appropriate in the matter.
- Contractor shall provide annual statement of PF to their workers to enable them to know their PF balance status. In case of change of contractor, the previous contractor shall immediately facilitate in filling of Form No 13 for smooth transfer of PF to the new account. In case of termination of service of contract labour, Form No.19 should be immediately filled by the contractor for settlement of PF dues. Before generating ESI no. for contract labourer, the contractor should ensure that the labourer does not have an existing ESI no.

19.6 ESI card based Labour Entry

- Only those workers shall be allowed entry into Factory premises who have valid ESI card.
- CISF personnel at the gates shall verify that the workers entering inside the factory are carrying valid ESI cards.
- Smart card & E tokens- Smart cards have been issued to the contractor for bringing workers inside the factory. Contractor has to ensure that the cards are not misused. Impersonation or holding back the cards and not returning the same to CLC in case of expiry of the validity or discontinuation of the service of the worker is totally unwarranted. E token has been created as a stop gap arrangement to ensure that the worker can enter the factory till he gets a smart card.

19.7 Compliance of wearing Uniform, shoes & helmet by contract workers

- “In the first month of the execution of work order the contractor shall provide uniform, shoes & helmet to his workers and provide an undertaking on this regard to the department. “
- Finance shall process the first bill only on the production of the undertaking.
- In case of non-compliance, bills will not be cleared and contractor shall be issued notice of termination of contract. Contractor should also ensure that their worker wears helmets and uses necessary PPE's while at work.
- As per the nature of work **all PPE's**, like cotton hand gloves, leather hand gloves, apron, dungaree, safety glasses, Kevlar hand gloves, face mask, hand barrier cream, hand cleaning cream etc. are in the scope of contractor and shall be provided as and when required.

19.8 Supervision of Contractor labour

- The contractor should provide adequate supervisors per shift. All issues regarding discipline at the works like Work allocation, early exit, snacks distribution etc. are will be their personal responsibility.

19.9 Contract labour accidents while at work

- In case of accidents, contractor or his supervisor should be present to facilitate completion of formalities.
- Any contract worker meeting with an accident while at work shall be provided all possible medical treatment available in Kasturba Hospital.
- Kasturba hospital shall raise the bill for the expenses incurred on the treatment of the worker.



BHEL, BHOPAL

CIM DIVISION

Page 11 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

- Cost of treatment to be deducted from the next bill of the contractor. There shall be no insistence on deposit of advance for the treatment.
- “In case of medical emergencies faced by worker at work, medical facilities in the interest of the well-being of the worker shall be provided by BHEL. The decision of the doctors attending the emergency shall be final and binding. The cost incurred shall be deducted from the bills of the contractor.”
- Contractor has to complete the ESI formalities and BHEL shall submit claim of reimbursement of medical expenses to ESI. The amount reimbursed by ESI shall be paid back to the contractor.

19.10 First and Final Bill to be cleared only after submission of Form VI A & VI B

- Contractor shall within 5 days of commencement /completion of Work Order submit Form VI A to RLC office.
- Contractor shall submit a copy of Form VI A bearing the receipt seal of RLC office to HR department.
- The first and final bill shall be processed only on clearance regarding submission of Form VI A and VI B by contractor.
- Finance shall process the first/final bill on clearance from HR regarding submission of Form VI A and VI B by contractor.
- HR will allot Work order no. only after the contractor concerned furnishes copy of Form VI A regarding the closure of the earlier contracts(if any).

19.11 Prohibition on influencing and interfering on behalf of contractor-“The Contractor shall neither try to influence, chase or interfere into the working of BHEL officials nor engage BHEL employee or any other third person for the same. In case such incident does occur, it may lead to disqualification/debarring from the contract. Any contractor shall be debarred from consideration if any of his relations is working in the product/functional group in which the contract is being issued. Before submitting tender form by contractor for limited tender enquiry a confirmation has to be given by contractor that none of his relations are working in that product/functional group.”

In case of open tender, a tenderer stands disqualified if any of his relatives are working in contract issuing division/product/functional group.

*Relations means and includes:

1. Husband/ Wife
2. Father
3. Mother (including step-mother)
4. Son (including step-son)
5. Son's wife
6. Daughter (including step-daughter)
7. Father's father
8. Father's mother
9. Mother's mother
10. Mother's father
11. Son's Son
12. Son's son's wife
13. Son's daughter
14. Son's daughter's husband
15. Daughter's husband
16. Daughter's son
17. Daughter's son's wife



BHEL, BHOPAL

CIM DIVISION

Page 12 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

18. Daughter's daughter
19. Daughter's daughter's husband
20. Brother (including step-brother)
21. Brother's wife
22. Sister (including step-sister)
23. Sister's husband

20.0 Firm shall maintain a wages register showing the following details clearly, for each month, exclusively contract / area wise :-

- I. Measure of work (or attendance) for which worker is entitled for wages.
- II. Wages paid,
- III. PF and ESI deduction from each worker,
- IV. PF and ESI contribution by firm, Whether monthly wages slip received, Signature of worker One copy of wages record shall be furnished every month, for inspection purpose, of various labour authorities. Firm shall preserve all such wages records and other records, up to as specified by Labour laws and at least up to the security deposit clearance.

21.0 Firm shall furnish the following certificates duly applicable for the working year , whenever desired by BHEL.

- I. Annual returns & inspection certificates of PF and ESI.
- II. Monthly challans of PF and ESI.
- III. MP Welfare fund receipt.
- IV. Annual statement for availed/paid leaves,
- V. Bonus paid (Form-C & D)

22.0 Compensation in case of death/permanent incapacitation of person : BHEL shall recover the amount of compensation paid to victim(s) by BHEL towards loss of life/permanent disability due to an accident which is attributable to the negligence of contractor, agency or firm or any of its employees as detailed below :

- a) Victim: Any person who suffers permanent disablement or dies in accident as defined below:
- b) Accident : Any death or permanent disability resulting solely or directly from any unintended or unforeseen injurious occurrence caused during the manufacturing/operation or works incidental thereof at BHEL factories/offices or precincts thereof, project execution, erection and commissioning, services, repairs and maintenance, trouble shooting, serving, overhauling, renovation and retrofitting, trial operation, performance guarantee testing under taken by the company or during any work /during working at BHEL Units/ townships and premises/ Project sites.
- c) Compensation in respect of each of the victims:
 - (i) In the event of death or permanent disability resulting from loss of both limbs: Rs.10,00,000/- (Rs. Ten Lakh)
 - (ii) In the event of other permanent disability: Rs.7,00,000/- (Rs. Seven Lakh)



BHEL, BHOPAL

CIM DIVISION

Page 13 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

d) Permanent Disablement: A disablement that is classified as permanent total disablement under the proviso to Section 2(1) to the Employee's Compensation Act, 1923.

23.0 In order to comply above clause 22.0, contractor may submit an undertaking (Annexure-II) that, in case they bag the contract, they will fulfil the necessary condition w.r.t. insurance coverage of workers as mentioned in the clause by way of taking an accidental insurance cover of the said amount for their workers. After issue of work order, the successful contractors will have to take insurance and submit documents before commencement of work. However, if otherwise clause 22.0 as above shall be applicable.

24.0 Technical responsibilities :

- a) Firm shall perform all activities of the enlisted work category, or activities as notified in the Tender, as per directives of BHEL shop engineer.
- b) Only ITI qualified workers preferably skilled workers shall be deployed for skilled work in manufacturing activities to execute the work.
- c) Group leader shall have ITI passed with min.3 years experience in the relevant work category.
- d) The work shall be done under the full time and complete administrative & technical supervisor appointed by the firm.
- e) Working time can be any time during Ist/ IInd / IIIrd shifts as required by BHEL including Sundays & Holidays. Normal working hours in the plant is 8 hours.
- f) The firm shall complete the allotted work, meeting all norms & parameters to the satisfaction of BHEL officials.
- g) BHEL reserves the right to reject any labour who is technically unsuitable.

25.0 Payment terms :

25.1 Payment shall be made on basis of work successfully executed, by the firm. Firm shall submit their clear & legible bills (in duplicate) on **Monthly basis, duly** verified by concerned engineer through Measurement book. Payment shall be made within 60 days from the date of (45 days in case of MSME).

25.2 GST, if applicable, shall be paid, as per Govt. rules, to the firm against running actual, on documentary evidence. The GST shall be paid extra and over the quoted rate. Any disallowance of tax credit shall be recovered with interest from contractor's bills where disallowance is attributable to them.

GST to be paid & GST returns to be filed as per schedule. An undertaking to the effect that GST has been remitted to the govt. w.r.t. invoices raised on BHEL in line & GSTR1 including all invoices raised on BHEL has been filed as per schedule to be submitted alongwith the bills for payment. (**refer applicable annexure-I as enclosed**)

25.3 Firm shall arrange its own finance for smooth execution of contract, wages payment, other statutory payments to his employees and all other agreed conditions. Payment against running bills, on achievement of milestones, will have no relation with the payment schedule of firm for wages etc. to their personnel.



BHEL, BHOPAL

CIM DIVISION

Page 14 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

26.0 Penalty: Recovery shall be made from the EMD, Security Deposit, Contract amount and running bills for,

- a. Any delay in execution of specified work will attract penalty. Contract has to deploy adequate number of workers to execute the quantum of work. The quantum of work will be monthly production plan which shall be reviewed/monitored on weekly basis. Delay if attributable to firm; penalty may be imposed @0.5% per week and maximum up to the ceiling of 10 % of the contract value for the allotted work. If any defect is noticed in the work at later stage, the firm shall repair the same, in short time free of cost. Cost of rework / rejection will be recovered from the contractor, if the same is found to be occurred due to negligence/lack of skill of the worker.
- b. For non-wearing uniform etc. @Rs.10/- per worker.
- c. GST on penalty shall be recovered in extra.

27.0 Safety and Environment obligations as per annexure “H”.

28.0 Statutory compliances as per “Instructions to contractors” attached. Statutory compliances are mandatory. Non compliance of statutory provisions may lead to cancellation of tender/blacklisting of contractor.

29.0 Overtime- Maximum overtime permissible is 50 hours in a quarter. In case of overtime, contractor should ensure that payment is made at double the rate of normal wage. In case of working on Sundays, contractor should ensure that a weekly holiday is given to the worker.

30.0 Contribution to welfare fund- Contractor should ensure that half-yearly contribution to M.P. Labour Welfare Fund is deposited[@Rs.30/- (by contractor) per person and @Rs.10/- (by workers) per person]

31.0 Inspection- During inspection by PF/ESI or labour authorities, contractor should make themselves available for inspection of their records and cooperate with authorities and BHEL. Contractor should provide correct and complete information of their workers to all the authorities. They should keep all the registers and forms updated.

32.0 Contractor should get the **police verification** done in respect of his labourers. The contractor has to undertake personal liability for conduct and character of his labourers. Contractor should provide C&A(character and antecedents) certificate from the Thana or else receipt of list filed with Thana for verification of C&A. This shall be required before the first bill is cleared.

33.0 Contract workers upto the age of 60 years would only be permitted inside factory area.



BHEL, BHOPAL

CIM DIVISION

Page 15 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

Annexure I

1. Wherever bidders are required to supply services at project site Party has to submit GST registration no. of the State in which project site is located along with copy of registration certificate at the time of submission of Bid. In case the same is not available at the time of submission of bid, the contractor has to give an undertaking that the same will be arranged before award of work order.
2. HSN Code/SAC, rate of tax under GST and applicable GST (IGST, CGST/SGST/UTGST) and GSTIN shall be clearly mentioned by the Bidder.
3. GST portion of the **invoice shall be released only upon:-**
 - 2.2.1 All invoices raised by contractors/vendors must be GST compliant Tax invoices as per GST invoice rules.
 - 2.2.2 Contractor declaring such invoice in his GSTR-1 or any modified return as notified by government
 - 2.2.3 Receipt of goods/services and Tax Invoice by BHEL and
 - 2.2.4 Confirmation of payment of GST thereon by contractor on GSTN portal
 - 2.2.5 Alternatively, Contractor has to submit BG of appropriate value which shall be valid at least one month after the confirmation of date of payment of GST by contractor on GSTN portal and receipt of Tax invoice and receipt of services, whichever is later. Contractor has to give an undertaking in this regard.
 - 2.2.6 Contractor has to give an undertaking to BHEL that they have declared invoice in his return and paying GST within timeline prescribed for availing ITC by BHEL.

Payment to Contractor for GST portion will be released only after completion of above activity and on availment of ITC by BHEL.
4. In case GST credit is delayed/denied to BHEL due to **non/delayed receipt of services/goods and /or tax invoice** or expiry of the timeline prescribed in GST Law for availing such ITC, or any other reasons not attributable to BHEL, GST amount shall be recoverable from the contractor along with interest levied/ leviable on BHEL.

Reverse Charge under GST

- 5A. In respect of services, reverse charge liability shall arise at the earliest of date of payment to service provider or 60 days from the date of issue of invoice by service provider. Contractor has to submit bill for payment within 30days from the date of invoice. Any interest or penalty implications attributable to the contractor shall be recovered from them.
- 5B. Any GST liability arising on BHEL under reverse charge before actual receipt of goods and/or invoice thereof would be subject to recovery of interest leviable for the period between the date of such liability and actual date of eligibility of ITC based on receipt of goods, receipt of invoices and other condition specified in GST Law.

Liquidated Damage/Penalty

6. Liquidated damage (LD) or Penalty if chargeable from suppliers/contractors as per NIT, applicable GST will be charged in addition to the same.

Tax Deduction at source

7. TDS as per extent provisions of the GST Law shall be deducted from supplier/contractor bill.



BHEL, BHOPAL

CIM DIVISION

Page 16 of 18

GENERAL TERMS AND CONDITIONS

REV. 00

ANNEXURE-II

Undertaking from the Contractor

I/we.....Hereby,
undertake that in case I/we get the work order for any type of
manufacturing/insulation items in CIM division, I/we will submit
insurance cover for work force for conditions mentioned in clause 22.0 of
"General Terms and Conditions of NIT" before commencement of work.

Name & Signature of the bidder

(Seal)



BHEL, BHOPAL

CIM DIVISION

Page 17 of 18

GENERAL TERMS AND CONDITIONS**REV. 00****INDEMNITY BOND****(TO BE ISSUED ON A NON-JUDICIAL STAMP PAPER OF AN APPROPRIATE VALUE)**

Whereas(Name of the contractor) having its registered office at..... has taken the contract for(name of the work) and the work has to be completed by the contractor himself/with the help of sub-contractors. But the contractor/sub-contractors have also to obtain licence under the contract Labour (Regulation & abolition) act 1970 and its rules, which can be granted if the Principal employer grants a certificate under form V of the said rules.

So on the request of(Name of the contractor) M/s Bharat Heavy Electricals Limited, Bhopal has agreed to issue certificate in Form-V in respect of the contractor/sub-contractors mentioned below. M/s(name of the contractor), therefore, undertake to fully indemnify M/s Bharat Heavy Electricals Limited, Bhopal from any financial implication whatsoever that may arise due to the grant of certificate in respect of themselves or their sub-contractors in Form-V under contract Labour (Regulation & Abolition) Act. 1970 and its rules.

- 1.
- 2.
- 3.

Further to above M/s(Name of the contractor) undertake to indemnify BHEL against -

- a) All claims for injury or damage to any person or property caused by his negligence or negligence of his employees whilst in BHEL premises.
- b) Observance of Labour & Industrial Laws, including regular remittance to EPF and ESI.
- c) All claims by way of compensation and all other types of unforeseen claims, which may arise in the course of contract.
- d) M/s(name of the Contractor) accept liability for compensation in accordance with the provision of the Indian Worker's Compensation Act, 1948, amendments thereafter and or other law for the time being in force for personal injury caused to any workmen by accident arising out of and in the course of this contract.
- e) All payments by way of compensation or otherwise which the company may be called upon to make under the provisions of the said Acts to any workmen as aforesaid, and any cost incurred by the company in connection with any claim preferred by such workmen and or against all actions, claims and demand whatsoever in respect thereof or in respect of any loss, injury or damages whatsoever to any third person arising out of or occasioned by the negligent, imperfect or improper performance of this contract by the Contractor, their workmen servants or agents.
- f) The Company shall not be held liable for any loss, damage or compensation to third parties arising from or in relation to transport operations done by the bidder, such loss, damage or compensation shall be reimbursed by the Contractor to the company together with the costs incurred by the company on any legal proceedings pertaining there to.

Contractor



BHEL, BHOPAL

CIM DIVISION

GENERAL TERMS AND CONDITIONS

Page 18 of 18

REV. 00

ANNEXURE "I"

DECLARATION OF RELATED PARTY

Details of related firms and their area of activities

Date: _____

To:

M/s _____

Supplier Code: _____

Address: _____

email: _____

Sub: **Details of related firms and their area of activities**

Dear Sir/ Madam,

Please find below details of firms owned by our family members that are doing business/ registered for same item with BHEL, _____

1	Material Category description	
	Name of Firm	
	Address of Firm	
	Nature of Business	
	Name of Family Member	
	Relationship	
2	Material Category description	
	Name of Firm	
	Address of Firm	
	Nature of Business	
	Name of Family Member	
	Relationship	

Note: I certify that the above information is true and I agree for penal action from BHEL in case any of the above information furnished is found to be false.

Regards,

(_____)

From: M/s _____

Supplier Code: _____

Address: _____
