



PRODUCTIVITY & MANAGEMENT SERVICES  
LOGISTICS MANAGEMENT

EXPRESSION OF INTEREST FOR OUTSOURCING OF RAW MATERIAL  
STORES OPERATION IN THE EXTENDED FACTORY PREMISES  
REF:P&MS/LM/010 Dt. 12.06.2010

About Boiler Auxiliaries Plant,Ranipet

One of the major manufacturing plants of BHEL is located at Ranipet which is 120 km south west of Chennai on the Chennai-Bangalore trunk road and is known as Boiler Auxiliaries Plant(BAP).This unit was started in 1981 for exclusive manufacture of boiler auxiliaries(electrostatic precipitators, fans and air-pre heaters, guillotine gates and flap dampers.) and has over the years consolidated its products in Indian market cornering the major share of ESP, fans and APH business. BAP is also diversified into other fields like manufacture of fabric filters, steel chimneys and ducts.BAP has designed and supplied RO based Desalination systems.

About performance of Boiler Auxiliaries Plant,Ranipet

In the year 2009-10 , BAP 's turnover is around Rs.2530 crores and Profit Before Tax(PBT) is Rs.571 crores.

Scope of work:

- Receipt and unloading of raw material(Plates, sheets, structural, tubes, rods, pipes etc.) , stacking at specified locations / wards / bins, cut to outer size by gas cutting (nesting by the cutting plan software)/ saw cutting (Minimum 5 gas cutting sets required - gas will be supplied by BHEL free of cost.)
- Issue and loading of materials and necessary document preparation for gate pass, receipt, issue control etc., . Adequate manpower for store keeping, documentation and material handling to be provided.
- Facilitation for stock verification shall be contractor's scope.
- Facilitation for inspection ,verification of material shall be contractor's scope.
- Identification of materials during receipt and issue by painting/stenciling/punching will be contractor's scope.
- Quantum of material to be handled would be about 2.50 lakhs MT per year Receipt (unloading) from our suppliers/stockyard and 2.25 lakhs MT per year issue(loading) to our Outsourcing vendors/shop production.
- Components exclusively applicable to our Outsourcing vendors will be kept in the closed stores shed. The receipt(unloading), accounting and issue(loading) will be contractor's scope.

- Working in two shifts shall be required.
- All the labour laws, safety procedures to be followed.
- PF and ESI contribution & Minimum wages to contract workers as per rule to be paid.
- Computer hardware and software to be provided by BHEL.
- 4 Nos.of mobile cranes(Min.10MT capacity) in each shift is to be provided by the contractor with operator and two riggers/ helpers per each crane along with required lifting chains, ropes etc.(Lifting tackles are to be duly certified by competent authority.). Mobile cranes will be used mostly for structural material handling.
- Working in two shifts shall be required.(06:00 hrs. to 14:00 hrs.,14:00 hrs to 22:00 hrs) and if work demands, the working hours to be extended beyond 22:00 hrs to complete the day's work.
- Successful bidders will be short listed for limited tender enquiry by BHEL based on this expression of interest who will meet our requirement.
- Service Tax: The tenderers should register for Service Tax with concerned Government authorities. A copy of Service Tax registration to be submitted to BHEL.. The tenderers are requested to quote their rates clearly indicating the Service tax separately in the format specified.
- The contract period will be two years.
- Solvency certificate shall be in the prescribed proforma given and should be in the Enlisting persons's Banker's letter head to the concerned enlisting authority.(OR) The solvency should be in the name of the applicant or any of the partner and should be obtained from the Revenue Department official not below the rank of Tahsildar and issued not earlier than one year from the date of 01.06.2010.
- Contractors who are near relatives to Officers responsible for award of work and execution of contract will not be allowed to enlistment.
- BHEL general terms and conditions are applicable.

#### General

- Storage area would be around 1.20 lakhs sq.meter. All the four sides RCC slab fencing provided with sufficient security provided. High mast light provided for working in night hours.
- Electricity will be provided free of cost by BHEL for lighting the yard, office area earmarked.
- Gantry crane (EOT crane) will be provided by BHEL to unload raw material from Railway wagon, trailers, lorries and loading purpose where mobile crane

could not be engaged. Mostly plates will be stored in gantry yard and handled by Gantry crane. Crane operator and rigger/helper to be provided by contractor.

- Preparation , verification and signing in the document with appropriate supervision by BHEL staff will have to be carried out.
- ISO 9000 certified vendor is preferable.
- Interested Parties/Firms should submit the following details :

Minimum qualifying criteria

Minimum two years experience in this type of raw material handling in Port, SAIL yard., steel mills / Public sector/reputed private concerns etc.

Minimum quantity of 25000 MT per annum should have been handled in single location or in different location.

For any queries/clarification the following BHEL official may be contacted.

G.Sugumar  
Manager  
P&MS-Logistics Management  
BHEL/BAP  
Ranipet - 632 406  
Vellore district-Tamilnadu

Phone: 04172-284839  
04172-241412

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The Expression Of Interest (EOI) to be sent to the above addressee on or before 28-06-2010.

Encl:

- 1) Annexure- I General conditions of the Contract
- 2) Annexure - II Safety conditions
- 3) Annexure - III Terms and conditions regarding various labour laws
- 4) Annexure- IV Form of solvency certificate

## ANNEXURE -I

### GENERAL CONDITIONS OF THE CONTRACT

#### 1. DEFINITION: -

In these General Conditions of Contract, the following terms shall have the meaning hereby assigned to them, except where the context otherwise requires:-

a)The "Contract" means, the documents forming the tender and acceptance thereof, together with all the documents referred to therein including general and special conditions to contract. All these documents as applicable taken together shall be deemed to form one contract and shall be complementary to one another.

b)The "work" means, the work described in the tender documents in individual work-orders as may be issued from time to time to the contractor by the Officer-Incharge within the power conferred upon him including all notified or additional items of works and obligations to be carried out as required for the performance of contract.

c)The "contractor" means, the individual Firm or Company whether incorporated or not, undertaking the work and shall include the legal personal representatives of such individuals or the persons composing the firm or Company or the successors of the firm or company and the permitted assigns of such individual or firm or Company.

d) "The Officer-In charge" means, the Officer deputed by the DGM/STORES to supervise the work or part of the work.

e) "Approved" and "Directed" means, the approval or direction of DGM/STORES, or person deputed by him for the particular purposes.

f) "BHARAT HEAVY ELECTRICALS LIMITED" (herein after referred to as BHEL) shall mean the Board of Directors, Chairman, Executive Director, General Manager or other Administrative Officer of the said Company including Manager/P&MS-Logistics authorised to invite tenders and enter into contract for works on behalf of the Company.

g)The "Contract sum" means, the sum accepted or the sum calculated in accordance with the prices accepted in tender and / or the contract rates as payable to the contractor for the execution of the work during the currency of the contract.

h) A "week" means, Seven Days, without regard to the number of hours worked or not worked in any day in that week.

i) A "day" means, the day of 24 hours (TWENTY FOUR) irrespective of the number of hours worked or not worked in that day.

j) A "working day" means, any day other than that prescribed by the NEGOTIABLE INSTRUMENTS ACT as being a Holiday, and consists of the number of hours of labour as commonly recognised by good employers in the trade in the district where the work is carried out or as laid down in the BHEL regulations.

2. HEADING TO THE CONTRACT CONDITIONS: - The heading to these conditions shall not affect the interpretations thereof.

3. WORK TO BE CARRIED OUT:- The Contract shall, include all labour, materials, tools, plant, equipment and transport which may be required for the execution of the work.

The Contractor will be deemed to have satisfied himself as to the nature of the site, local facilities of access and all matters affecting the execution of the work. No extra Charges consequent on any misunderstanding in these respects or otherwise will be allowed.

4. DEVIATIONS:- The contractor shall not carry out any work not covered by schedule except in pursuance of the written instructions of DGM/STORES. No such work shall be valid unless the same has been specifically confirmed and accepted by BHEL in writing and incorporated in the Contract.

5.OCTROI AND OTHER DUTIES:- All charges on account of Octroi terminal or Sales Tax and or other Duties on materials obtained for the work shall be borne by the Contractor.

6. PLANT AND EQUIPMENT:- The Contractor shall at his own expense, supply all tools, plant and equipment (Herein after referred to as T&P) required for the execution of the contract.

7.ASSIGNMENT OF TRANSFER OF CONTRACT:- The Contractor shall not without the prior written approval of the BHEL, assign or transfer the contract or any part thereof, or any share, or interest thereon to any other persons. No sum of money which may become payable under the contract shall be payable to any person, other than the contractor unless the prior written approval of the BHEL to the assignment or transfer of such money is given.

8. SUB-CONTRACT: - The Contractor shall not sub-let any portion of the contract without the prior written approval of the BHEL.

9. COMPLIANCE TO REGULATIONS AND BYE-LAWS: - The Contractor shall confirm to the provisions of any statute relating to the work and regulations and Bye-Laws of any local authority. The Contractor shall be bound to give all notices required by statute regulations or By-Laws as aforesaid and to pay all fees and taxes payable to any authority in respect thereof.

10. SECURITY DEPOSIT:- (1) Security Deposit should be paid by the contractor before the start of the work. The Security Deposit rate will be as follows: -

- a) In the case of works costing up to Rs.10. Lakhs :: 10% of the estimated cost
- b) In the case of works costing above :: 1 Lakh + 7.5.% of the amount  
Rs.10.00 Lakhs up to Rs.50.00 Lakhs :: exceeding Rs.10 Lakhs.
- c) In case of works costing above :: 4 Lakhs + 5% of the amount  
Rs.50 Lakhs :: exceeding Rs.50 Lakhs.

The Earnest Money paid at the time of tender will be adjusted as part of the Security Deposit and the balance amount will be recovered by deduction from the running bills of the contractor at the rates mentioned above.

Security Deposit shall not be refunded except in accordance with the terms of Security Bond or Agreement. Security may be furnished in any one of the following terms:

- 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 Office 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. 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 collected 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.

BHEL shall not be responsible for any loss of securities, due to liquidation for any other reasons, what-so-ever or any depreciation in the value of the securities while in their charge or for any loss of interest there on.

All compensation or other sums of money payable by the Contractor to BHEL under the terms of this contract or under any other contract with BHEL may be deducted from the Security Deposit or realised by the sale of the securities or from the interest arising therefrom or from any sums which may be due or may become due to the contractor by BHEL and in the event of this Security Deposit being deducted by reason of such deductions or sale, as aforesaid, the Contractor shall within 7 days thereafter, make good in cash or in securities endorsed as aforesaid, any sum by which the Security Deposit has been reduced.

11. ORDERS UNDER THE CONTRACT:- All orders, notices etc. to be given under the contract shall be in writing, type-script or printed and if sent by registered post to the address given in the tender of the Contract, shall be deemed to have been served on the date, when in the ordinary course they would have been delivered to him. The Contractor shall carry out without delay all orders given to him.

12. CONTRACTOR'S SUPERVISION :- The Contractor shall either himself supervise the execution of the contract or shall appoint a competent agent acceptable to the DGM/STORES to act in his stead.

Orders given to the Contractor's agent shall be considered to have the same force as if they have been given to the Contractor himself.

The Contractor or his accredited agent shall attend when required without making any claim for doing so, either the office of the DGM/STORES or the OFFICER-INCHARGE, to receive instructions.

The DGM/STORES shall have full powers and without assigning any reason, require the Contractor to immediately cease to employ in connection with this contract, any agent, servant or employee where continued employment is, in his irable. The Contractor shall not be allowed any compensation on this account.

13. LABOUR:- The Contractor shall remain liable for the payment of all wages or other moneys to his work-people or employees under the payment of Wages Act 1936, Employees Liability Act. 1938, Workmen's Compensation Act 1923 or any other Act or enactment, relating thereto and rules framed, there under from time to time.

14. PRECAUTIONS AGAINST RISK:- The Contractor shall be responsible for providing at his own expense for all precautions to prevent loss or damage from any and all risks and to minimise the amount of any such loss or damage and for the necessary steps to be taken for the said purpose.

15. DAMAGE & LOSS TO PRIVATE PROPERTY & INJURY TO WORKMEN :-

The Contractor shall at his own expense reinstate and make good to the satisfaction of the DGM/STORES and pay compensation for any injury, loss or damage occurred to any property or rights whatever including property and rights of BHEL (or agents) servants or employee of BHEL, the injury loss or damage arising out of or in any way in connection with the execution or purported execution of the contract and further the contractor shall indemnify, the BHEL against all claims enforceable against BHEL (or any agent, servant or employee of BHEL) or which would be so enforceable against BHEL where BHEL is a private person, in respect of any such injury (including injury resulting in death) loss or damage to any person whomsoever or property including all claims which may arise under the Workmen's Compensation Act or otherwise.

16.LAWS GOVERNING THE CONTRACT:- The contract shall be governed by the Indian Laws for time being in force.

17.CANCELLATION OF CONTRACT FOR CORRUPT ACTS:- BHEL , whose decision shall be final and conclusive, shall without prejudice to any other right or remedy which shall have accrued shall accrue thereafter to BHEL cancel the contract in any of the following cases and the Contractor shall be liable to make payment to BHEL for any loss or damage resulting from any such cancellation to the same extend as provided in the case of cancellation for default.

If the Contractor shall :-

(i) Offer or give or agree to give to any person in BHEL service any gift or consideration of any kind, as an inducement or reward for doing or for bearing to do or for having done or for borne to do any act, in relation to the obtaining or execution of this or any other contract for BHEL service,

OR

(ii) enter in to a contract with BHEL in connection with which commission has been paid or agreed to be paid by him or with his knowledge, unless the particulars of any such commission and the terms of payment thereof have previously been disclosed in writing to BHEL,

OR

(iii) obtain a contract with BHEL as a result of ring tendering or by non-bonafide methods of competitive tendering, without first disclosing the fact in writing to BHEL.

18. RISK PURCHASE CLAUSE:

If the contractor fails to carry out the specified works as per the contract scope of work within the time, as directed by DGM/Stores or his authorized officials and continues in that state after a reasonable notice from DGM/Stores or his authorized officials, BHEL reserves the right to have the work done by any means at the Contractor's risk and expenses provided always that in the event of the cost of the work so done (as certified by DGM/STORES which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL and if the cost exceeds the money due to Contractor under the contract, the Contractor shall either pay the excess amount ordered by DGM/STORES or the same shall be recovered from the Contractor by other means.

## 19. CANCELLATION OF CONTRACT FOR INSOLVENCY ASSIGNMENT OF TRANSFER OR SUB-LETTING OF CONTRACT: -

BHEL, without prejudice to any other right or remedy, which shall have accrued or shall accrue thereafter to BHEL shall cancel the contract in any of the following cases:

If the Contractor,

a) being an individual or if a firm any partner thereof shall at any time be adjudged bankrupt or have a receiving order for administration of his estate, made against him or shall take any proceedings for liquidation or composition under any bankruptcy Act or assignment of his effects of composition or arrangement for the benefit of his creditors or purport to do so, or if any application made under any

Bankruptcy Act for the time being in force for the sequestration of his estate or if a trust deed be granted by him on behalf of his creditors

OR

b) being a Company, shall pass a resolution or the Court shall make an order for the liquidation of its affairs, or a receiver or Manager on-behalf of the debenture holders shall be appointed or circumstances shall arise which entitle the Court or debenture holders to appoint a receiver or Manager,

OR

c) Assigns, Transfers, Sub-lets or attempts to assign, transfer or sub-let any portion of the work without the prior written approval of the BHEL .

d) Whenever BHEL exercise the authority to cancel the contract under this conditions, BHEL may have the work done by any means at the Contractor's risks and expenses provided always that in the event of the cost of the work so done (as certified by DGM/STORES which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL and if the cost exceeds the money due to Contractor under the contract, the Contractor shall either pay the excess amount ordered by DGM/STORES or the same shall be recovered from the Contractor by other means.

e) In case BHEL carries-out the work under the provisions of this condition the cost to be taken into account in determining the excess cost to be charged to the Contractor under this condition shall consist of the cost of the materials, hire charges of tools and plants and/or labour provided by the BHEL with an addition of such percentage to cover superintendence and establishment charges as may be decided by the DGM/STORES whose decision shall be final and conclusive.

## 20.CANCELLATION OF CONTRACT IN PART OF FULL FOR CONTRACTOR'S DEFAULT :-

If the Contractor :

a) makes default in carrying out the work as directed and continues in that state after a reasonable notice from DGM/STORES or his authorised representative

b) fails to comply with any of the Terms and Conditions of the contract or after reasonable notice in writing with orders properly issued thereunder ;

c) BHEL, may without prejudice to any other right or remedy which shall have accrued or shall accrue thereafter to BHEL CANCEL the contract as whole or in part thereof or only such work order or items of work in default from the contract. Whenever BHEL exercise the authority to cancel the contract as whole or part under this condition BHEL may complete the work at the contractor's risk and cost (as certified by DGM/STORES which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL. If the cost exceeds the moneys due to the



Contractor under this contract the Contractor shall either pay the excess amount ordered by DGM/STORES or the same shall be recovered from the Contractor by other means. In case the BHEL carries out the work or any part thereof under the provisions of the conditions the cost to be taken into account in determining the excess cost to be charged to the Contractor under this condition shall consist of the cost of the materials, hire charges of tools and plant and/or labour provided by the BHEL with an addition of such percentage to cover the superintendence and establishment charges as may be decided by the DGM/STORES whose decision shall be final and conclusive.

**21.TERMINATION OF CONTRACT ON DEATH OF CONTRACTOR. :-**

Without prejudice to any of the rights or remedies under this contract, if the Contractor dies, or if the firm is dissolved or the company is liquidated BHEL shall have the option of terminating the contract without compensation to the Contractor.

**22.SPECIAL POWER TO TERMINATION:-** If at any time after the award of contract, BHEL shall for any reason whatsoever not require whole or any part of the work to be carried out the DGM/STORES shall give notice in writing of the fact to the Contractor who shall have no claim to any payment of compensation or otherwise howsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not derive in consequence of the fore-closing of the work.

“If any employee/labourer working in the contract is found involved in corruption activities, the contract will be terminated and the contractor will be banned for applying for any future contract for 3 years.”

**23.SUBMISSION OF BILLS BY CONTRACTOR :-** The Contractor at the end of each month shall submit a bill in triplicate detailing the various items of work done during the month supported by the requisitions issued from time to time. The Contractor shall, once in every month, submit to the DGM/STORES separately details of his claims for the work done by him up to and including the previous month which are not covered by his contract agreement in any of the following respects:

- a) Deviation from the items provided in the contract documents.
- b) Extra items / new items of work.
- c) Items in-respect of which rates have not been settled. He should in addition furnish a clear certificate to the effect that the claims submitted by him as aforesaid cover all his claims and that no further claims shall be raised by him in respect of the work done up to and including the period under report.

**24.PAYMENT OF BILLS: -** All payments to be made to the Contractor, under this contract shall be by "CHEQUE" crossed "A/C PAYEE ONLY" OR by NEFT / RTGS payment within a reasonable time after the certification of bills by DGM/STORES or his authorized Officer..

**25.RECOVERY FROM CONTRACTOR: -** Whenever under the contract, any sum of money, shall be recoverable from or payable by the Contractors, the same may be deducted from or any sum then due or which at any time thereafter may become due to Contractor under the contract or under any other contract with BHEL or from his Security Deposit or he shall pay the claim on demand.

26. POST TECHNICAL AUDIT OF WORK AND BILLS:- BHEL reserves the right to carry out the post-payment Audit and technical examination of the work and final bill including all supporting vouchers, abstracts etc., and enforce recovery of any sum becoming due as a result thereof in the manner provided in the presiding sub-paragraphs. However no such recovery shall be enforced after three years of passing the final bill.

27. REFUND OF SECURITY DEPOSIT:- The Security Deposit mentioned in condition 10 above may be refunded to the Contractor after a period of one month on termination or expiry of the contract provided always that the Contractor shall first have been paid the last and final bill and have rendered a "NO DEMAND CERTIFICATE".

28. FORCE MAJEURE CLAUSE:- If, at any time during the continuance of this Contract the performance in whole or in part by either party of any obligations under this Contract shall be prevented or delayed by reason of any War, Hostile acts of the public enemy Civil Commotion, Epidemics, or Acts of God (Floods, Storm/Cyclone, Hurricane, Earth Quake etc.) then provided notice of happening of any such event is given by either party to other within 7 days from the date of occurrence therefor neither party shall by reason of such event be entitled to terminate this Contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under this Contract is prevented or delayed by reason of any such event, claims for extension of time shall be granted for periods considered reasonable by the DGM/STORES subject to prompt notification by the contractor.

29. ARBITRATION :- All disputes between the parties to the contract, arising out-of or relating to the contract, other than those for which the decision of the DGM/STORES or Accepting Officer or any other person is by the contract expressed to be final and conclusive shall after written notice by either party to the contract to the other party be referred to the sole Arbitration of GENERAL MANAGER or other Officers of BHEL appointed as Arbitrator, by the GENERAL MANAGER of BHEL in his sole discretion.

Unless the parties otherwise agree, such reference shall not take place until after the completion, alleged completion or abandonment of the work of the determination of the contract.

The venue of Arbitration shall be such a place or places as may be fixed by the Arbitrator in his sole discretion. The award of the Arbitrator shall be final, conclusive and binding on both parties to the contract.

30. SIGNING OF THE CONTRACT:- Each contract document shall be signed by the Contractor with his usual signature. Contract by partnership of Hindu Joint Family firm, may be signed in the FIRM'S name by one of the Partners or the Karta or Manager as the case may be or by any other duly authorised representative followed by the name and designation of the persons so signing. Contracts by a Company shall be signed with the name of the Company by a person authorised in this behalf and a power of attorney or other satisfactory proof showing that the persons signing the Contract documents on behalf of the Company is duly authorised to do so, shall accompany the contract.

31.All statutory requirements under Minimum Wages Act,1948, Factories Act 1948, Workmen Compensation Act 1923,Employees Provident Fund and Miscellaneous Provisions Act, 1952,Payment of Gratuity Act 1972, Employee State Insurance Act 1948, Contract Labour (R&A) Act 1970, Payment of Bonus Act 1965, Income Tax Act, Service Tax Act and all other applicable Acts shall be complied with by the Contractor.

32.Contractor shall comply with all statutory requirements, rules, regulations, notifications in relation to employment of his employees issued from time to time by the concerned authorities.

33.Contractor shall indemnify BHEL against all claims and losses under various Labour Laws, statutes or any civil or criminal law in connection with employees deployed by him.

34.Contractor wherever applicable shall maintain proper records prescribed by the concerned statutory authorities and provides a copy of the same to BHEL.

35.Contractor shall furnish proper returns to the concerned statutory authorities and provide a copy of the same to BHEL.

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## ANNEXURE - II

### SAFETY PRECAUTIONS TO BE TAKEN BY THE CONTRACTORS

1. The Contractor must inspect the area of work to decide the safety precautions necessary for executing this contract.
2. Whenever people work at height more than six feet, platform shall be provided or the workers shall wear safety belt to avoid fall from the height.
3. Wherever any area declared as dangerous, the workers shall not be allowed to work till a written clearance is obtained from appropriate authorities.
4. No material of any kind shall be dropped or allowed to be dropped from any height.
5. Defective ladders shall not be used at all.
6. Inflammable materials shall not be stored near places where the sparks are likely to occur.
7. The necessary safety equipments such as gloves, boots, helmets etc must be issued to the workmen and strictly to be used while carrying out the work.
8. If the contractor's workmen are found to be violating the safety precautions, punitive action will be taken by withholding a sum of Rs.500/- to Rs.1000/- from the contractor's bill for each violation.
9. The working area shall be kept clean and free from all obstructions.
10. All temporary electrical connections shall be properly earthed, insulated and periodically checked.
11. The contractor should arrange WORKMEN COMPENSATION/ INSURANCE POLICY covered for all his/her workmen. A copy of the policy has to be submitted before commencement of work.
12. All safety precautions are to be taken by the contractor at his cost.
13. These safety measures shall be deemed to form an integral part of the Work Order/ Agreement.

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### ANNEXURE - III

#### TERMS AND CONDITIONS WITH REGARD TO COMPLIANCE OF VARIOUS LABOUR LAWS BY THE CONTRACTORS FOR BHEL.

- 01 The contractor shall not employ in connection with the work any person who has not completed 18 years of age.
- 02 The contractor shall in respect of labour employed by him either directly or through sub contractors, comply with or cause to be complied with the following statutory provisions and rules and in regard to all matters provided therein.
  - (a) The contract labour (Regulation and abolition Act 1970) and the related Tamilnadu Rules.
  - (b) The minimum wages Act 1948 and the related Tamilnadu Rules.
  - (c) The payment of wages act 1936 and the related Tamilnadu Rules.
  - (d) The Factories Act 1948 and the related Tamilnadu Rules.
  - (e) The Employees Provident Fund and Miscellaneous Provisions Act 1952.
  - (f) The Employees State Insurance Act 1948.
  - (g) The workmen's Compensation Act 1923.
  - (h) The Industrial Dispute Act 1947, and any other law, or modifications to the above or to the rules made thereunder from time to time.

#### REGISTRATION AND LICENSING:

Every contractor shall register his/her name with the welfare section of BHEL before taking up the work awarded to him/her by giving the following information and getting a code number:

- (a) The name of the contractor.
- (b) Nature of contract work.
- (c) Period of work.
- (d) Number of maximum labour employed by him on any one day.
- (e) License No. and date (applicable in case of contractors employing 20 or more worker)
- (f) Whether enrolled for PF, ESI etc., and enrolment No. (contractor shall obtain their own PF code)

This information is called for the purpose of informing the inspector of Factories wherever they call for information regarding contracts.

- (4) The contractor employing 20 or more workmen is required to obtain license from the authorities (The Deputy Chief Inspector of Factories/Assistant Commissioner of Labour as the case may be). This license shall be amended and/or renewed wherever there is an increase in the workmen employed by him/her or in the event of contract being extended or renewed. The contractor shall inform the license number to the BHEL management before taking up the work.
- (5) The contractor (Licensed or unlicensed) shall promptly furnish every information and document required by BHEL authorities for the purpose of fulfilling their obligations as principal employer and/or occupier of the factory and shall render all necessary assistance for the same.

- 6) The contractor shall get the contract labourer engaged by him/her insured under workmen's compensation policy from General Insurance Corporation of India.
- (7) The contractor shall ensure that all his workmen are covered under the Employees State Insurance Act and produce the registration number/enrolment number to the welfare section before executing the contract.
- (8) The contractor shall also ensure that all his/her workmen are covered under Employees Provident Fund and Misc. Provisions Act 1952.

WAGES:

- (9) The contractor shall pay wages to the workmen employed by him/her at the rate, which shall not be less than the minimum wages applicable under Law from time to time.
- (10) The contractor shall fix wage periods in respect of which wages shall be payable. No wage period shall exceed one month.
- (11) The contractor shall ensure payment of wages to the contract labour employed by him/her within three days from the end of wage period incase the wage period is one week or a fortnight & in all other cases before 10<sup>th</sup> day of the following month.
- (12) All payment of wages shall be made on working days at the work site and during the working time and on dates notified in advance. In case the work is completed before the expiry of the wage period final payment shall be made within 48 hours of the last working day.
- (13) Where the employment of any worker is terminated by or on behalf of the contractor, the wages earned by him shall be paid before the expiry of the second working day from the day on which his employment is terminated.
- (14) Wages due to every worker shall be paid to him direct or to the person authorized by him in this behalf. All wages shall be paid in current coin or currency or in both.
- (15) The contractor shall ensure the disbursement of wages in the presence of such authorized representatives of BHEL management.
- (16) The above payment shall be verified by the authorized officers/representatives of BHEL with the following certificate on the payment sheet certified that the amount shown in column No. . . . . . has been paid to the workmen concerned in my presence on . . . . . at . . . . .
- (17) A certificate of payment shall be furnished in duplicate by the contractor to the Engineer Incharge each month in a form enclosed.
- (18) A notice showing the wage period and the place and time of disbursement of wages shall be displayed at the place of work and a copy to be sent to the welfare department by the contractor under acknowledgement.

19. Notices showing the rates of wages, weekly rest days, hours of work, wage period, date of payment of wages, names and addresses of the inspectors having jurisdiction, the date of unpaid wages shall be displayed in Tamil and English in conspicuous places at the establishment and working by the contractor. The contractor shall inform the BHEL management every month the details of contract labour engaged for each contract in the following form:

- a. Serial Number
- b. Location
- c. Period of work
- d. No. of contract labour engaged during the month
- e. No. of days worked
- f. No. of mandays worked
- g. Wages paid to his/her workers

The above statement shall be furnished to BHEL management at the end of every month.

#### REGISTERS RECORDS AND COLLECTION OF STATISTICS.

- (20) The following documents/formats under Contract Labour (Regulation and Abolition) Act 1970 and Tamilnadu Rules there under shall be maintained by each contractor.
- a. Register of persons employed by the contractor.
  - b. Employment Card.
  - c. Service Certificate.
  - d. Muster Roll, Wage Register, Deduction Register, Wage slip, Over time Register, Register of fines, Register of advances etc.,
- (21) The contractor shall display the abstract of the contract labour (Regulation and application) Act and the rules there under both English and Tamil.
- (22) Half yearly return shall be sent by the contractor in duplicate to the licensing officer.
- (23) The contractor shall submit the returns required under the Contract Labour (Regulation and Abolition) Act 1970 periodically to BHEL management.
- (24) The contractor shall without fail give up to date information in writing of the attendance of the workers employed by him/her.
- (25) The contractor shall ensure that his/her workers keep and produce their employment card when coming to duty and take them back when leaving duty.
- 26) All the above registers and records shall be preserved in original for a period of three years. All the registers, records and notice maintained under the Act and Rules shall be produced on demand by Inspector or any Authority under the Act.

#### WORKING CONDITIONS:

- (27) No workers shall be required or allowed to work on Sunday unless he has or will have a Holiday or any one of the three days before or after the said day.
- (28) The contractor shall inform BHEL Management in the prescribed form details of the contract workers scheduled to work on Sunday, the day of rest and also indicate the substituted holiday in lieu thereof. This shall be intimated two days in advance before his/her workmen are booked for work on Sunday.
- (29) The contract labour working for more than nine hours in any day or for more than 48 hours in any week shall be paid wages at the rate of twice the ordinary rates of wages in accordance with the provisions of section 59 of the Factories Act 1948 and any amendment thereof.
- (30) The contractor shall provide all safety devices and personal protective equipment to his workmen at his/her own cost and shall ensure that his workmen wear/use such devices or equipment provided to them while doing the work and there should not be any relaxation on this.
- (31) The contractor shall give four paid national holidays to his workers, viz 26<sup>th</sup> January, 1<sup>st</sup> May, 15<sup>th</sup> August and 2<sup>nd</sup> October.
- (32) The contractor shall ensure that his/her workmen vacate the premises after the shift is over.
- (33) The contractor shall give leave with wages to his/her workmen who have worked for a period of 240 days or more in the factory premises during a calendar year. This leave shall be allowed during the subsequent calendar year at the rate of one day for every 20 days of work performed by the worker during the previous calendar year. The worker whose service commences on a day other than the first of January shall be entitled to leave with wages at the above rate (one day for every 20 days of work) only if he had worked for a minimum of 2/3 of the total number of days in the remainder of the calendar year. This leave will be admissible only during the subsequent calendar year.
- (34) No women worker shall be required or allowed to work in the factory except between the hours of 6.00 A.M. and 7.00 P.M.
- (35) The contractor shall comply with the provisions relating to welfare and health facilities as provided to the Contract Labour (Regulation and Abolition) Act 1970 read with the Tamilnadu contract labour Rules .

#### NOTICE OF ACCIDENT:

- (36) Notwithstanding anything contrary to this, in the event of accident the contractor shall be required to fill injury report and submit the Engineer Incharge immediately and ensure the compliance of ESI/Workmen's Compensation Act, Factories Act and Rules made there under. He shall also maintain a register of accident as per the Act.



- (37) The contractor shall get the contract labour engaged by him insured under Workmen's Compensation Policy from General Insurance Corporation of India before actually starting the work of contract. The insurance coverage should be for the entire period of contract. The contractor shall comply with the provisions of the Workmen's Compensation Act 1923 (This should be read in connection with the provisions of ESI Act).
- (38) The contractor shall ensure that all his workmen are covered under the Employees State Insurance Act and produce to BHEL such Registration number/Enrolment number before executing the contract work.
- (39) The contractor shall regularly pay the amount of contribution i.e., employer's contribution as well as employees' contribution in pursuance of the above scheme as fixed from time to time. The contribution payable presently is 2-1/4% of wages to be recovered from his/her workmen and 5% of wages to be contributed by the contractor. Contribution recovered from employee and contribution made by the contractor may be rounded to the next higher multiples of five paise.
- (40) The contractor shall take note of any amendment that may be brought forth in the above contribution rate and act accordingly.
- (41) The contractor shall ensure that his/her workmen are covered under the EPF and miscellaneous Provisions Act 1952 and accordingly produce to the BHEL Management the registration/enrolment number before award of contract work.  
As per the existing provisions every worker who has completed three months continuous service or has actually worked for not less than 60 days within a period of 3 months or less shall be entitled and required to become a member of the fund. The employee's contribution payable at present is 8-1/3% of wages will be recovered by the contractor from the wage of his contract labours. The contractor is also liable to pay any administrative charges in this behalf that may be decided from time to time. It will be the responsibility of the contractor to ensure such contribution payable in respect of workmen employed through sub-contractors also.
- (42) The contractor shall take note of any amendment in the rate of contribution payable under the scheme from time to time.
- (43) The contractor shall within seven days of the close of every month submit to BHEL a statement showing the amount of contribution payable/paid for employees engaged by him or through him and shall also furnish to BHEL such information, as principal employer is required to furnish under the provisions of the ESI Act and PF as well as the scheme made there under to the authorities concerned.
- (44) Whenever any sum of money is found to be recoverable from or payable by the contractor under the above acts, the same shall be deducted from any sum that may be due or which at any time thereafter may become due to the contractor under this contract or under any other contract or from his security deposit. In case the recoveries are not sufficient to satisfy the claims the contractor shall pay the balance thereof on demand. In case any

recoveries are made under this clause from the security deposit the contractor shall immediately thereafter pay such further sums as may be required to recoup the shortage caused by such recoveries in the amount of security deposit.

- (45) The contractor shall abide by all the labour and other laws applicable to contract labour/worker under this contract and shall at all times keep BHEL, indemnified against all losses, claims, prosecution under any law.
- (46) In case of non compliance of any of the provisions of the acts and in case BHEL having complied with the same, BHEL will be entitled to recover the same from the contractor/sub-contractor.
- (47) Non exercise of any of the powers or rights available to BHEL hereunder or under any law, shall not in any way operate as waiver thereof.

General: Contractor should follow all the provisions of labour legislation and statutory obligations. Provisions as and when amended will also apply.

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#### ANNEXURE- IV

##### FORM OF SOLVANCY CERTIFICATE FROM A SCHEDULED BANK

This is to certify that to the best of our knowledge and information M/s./Sri. .... having marginally noted address, a customer of our bank are/is respectable and can be treated as good for any engagement upto a limit of Rs..... (Rupees ..... ). This certificate issued without any guarantee or responsibility on the bank or any of the officers.

Signature  
for the Bank

Note : In case of partnership firm, certificate to include names of all partners as recorded with the bank.

##### FORM OF WORKING CAPITAL CERTIFICATE FROM A SCHEDULED BANK

Certified that Sri/Smt/M/s.. .... S/o/W/o..... and resident(s) of ..... has/have been maintaining a savings bank account/current account/fixed deposit account with this branch of bank since .....and an amount not less than Rs..... (Rupees.....) has been available to the credit in his/her/their account number ..... for the last six months.

Signature  
for the Bank

Note : In case of partnership firm, certificate to include names of all partners as recorded with the bank.