

GENERAL CONDITIONS OF CONTRACT (GCC)

REV_00 DATED 11.09.2020



**BHARAT HEAVY ELECTRICALS LIMITED
HEAVY EQUIPMENT REPAIR PLANT
TARNA, SHIVPUR
VARANASI-221003**

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CHAPTER I

DEFINITIONS

In these general conditions of contract, the following terms shall have the meaning hereby assigned to them except where the context otherwise requires: -

- a) "CONTRACT" or "CONTRACT DOCUMENT" shall mean and include the Agreement of Work Order, the accepted appendices of Rates, Schedules, Quantities if any, General Conditions of Contract, Special Conditions of Contract, Instructions to the Tenderers, Drawings, Technical Specifications, the Special Specifications if any, the Tender documents, subsequent amendments mutually agreed upon and the Letter of Intent/Award/Acceptance issued by BHEL. Any conditions or terms stipulated by the contractor in the tender documents or subsequent letters shall not form part of the contract unless, specifically mentioned.
- b) "TENDER SPECIFICATION" or "TENDER" or "TENDER DOCUMENTS" shall mean General Conditions, Special Conditions, Price Bid, Rate Schedule, Technical Specifications, Appendices, Annexures, Corrigendum, Amendments, Forms, procedures, Site information, etc and drawings/documents pertaining to the work for which the tenderers are required to submit their offers.
- c) "WORK" means all Permanent and Temporary Works as described in the Scope of Work and BOQ in individual work order and /or accompanying drawings and specifications as may be issued from time to time to the contractor by the Engineer - Incharge in writing, including all modifications or additional works and obligations to be carried out either at the site or in factory, workshop or any other place as may be essentially required for the performance of the work.
- d) The "SITE" means the land and/ or other place on/into/ through which the work is to be executed under the contract or any adjacent land, part or structure which may be allotted to or used for the purpose of carrying out the contract.
- e) 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 person(s) composing the firm or company and the permitted assigns of such individuals or firm or company.
- f) "ENGINEER" or "ENGINEER IN CHARGE" shall mean an employee of BHEL as may be duly appointed and authorized by Competent Authority/Accepting Officer of BHEL to act as "Engineer" on his behalf for the purpose of the Contract, to perform the duty set forth in this General Conditions of Contract and other Contract documents.
- g) BHEL shall mean Bharat Heavy Electricals Limited, a company registered under Indian Companies Act 1956, with its Registered Office at BHEL HOUSE, SIRI FORT, NEW DELHI – 110 049, or its unit HEAVY EQUIPMENT REPAIR PLANT located at Tarna, Shivpur Varanasi, Uttar Pradesh -221003.

- h) "COMPETENT AUTHORITY" / "ACCEPTING OFFICER" shall mean Executive Director or General Manager (In charge) or General Manager-Head of Unit (HERP) or BHEL Officers who are empowered to act on behalf of the Executive Director or General Manager (In charge) or General Manager of BHEL.
- i) "DEFECT LIABILITY PERIOD" (DLP) in relation to a work means the specified period from the date of Completion Certificate up to the date of issue of Final Certificate during which the Contractor stands responsible for rectifying all defects that may appear in the works executed by the Contractor in pursuance of the Contract and includes warranties against manufacturing/fabrication/erection/construction defects covering all materials plants, equipment, components, and the like supplied by the Contractor, works executed against workmanship defects.
- j) "Letter of Intent/Letter of Award (LoA)" means the formal letter of intent or letter of acceptance or letter of award issued by BHEL.
- k) "SCC" means 'Special Conditions of Contract forming part of this Contract / Agreement.
- l) "Bill of Quantity" shall mean subsequent to the placement of the Contract/Agreement/Purchase Order the successful bidder shall be required to furnish the detailed price break-up within a specified time frame. This detailed break-up of items and prices shall be considered as Bill of Quantities (BOQ).
- m) Senior Engineer shall mean a senior Executive of Engineer in charge.
- n) NIT shall mean notice inviting tender.
- o) First Party shall mean BHEL.

CHAPTER II

2.0 GENERAL INSTRUCTIONS TO THE TENDERERS

2.1 GENERAL INSTRUCTIONS

The General Condition of Contract form part of the Tender Specifications. All pages of the tender documents shall be duly signed stamped and submitted along with the offer by the tenderers.

Tenderers are advised to study all the tender documents carefully. The contractor shall be deemed to have satisfied himself as to the nature of site, local facilities of access and all matters affecting the execution and completion of the work. No extra charges consequent on any misunderstanding in these respects or otherwise will be allowed by the First Party.

The contractor shall examine the quantum of work and shall satisfy himself before submitting his tender. He shall himself assess the requirement of materials, contingencies and other circumstance which may affect or influence his tender, no extra charges on any misunderstanding or otherwise shall be allowed.

The contractor shall be deemed to have satisfied himself before tendering as to correctness and sufficiency of his tender, the work and prices. This shall except as otherwise provided all obligation under the contracts all matters and things necessary for the proper completion and maintenance of the works.

2.2 SUBMISSION OF TENDERS

- 2.2.1. The tenderers must submit their tender as per instructions in NIT in hard copy (if enquiry has been floated through conventional mode) or online through e-procurement portal (if enquiry has been floated through e-procurement) only.
- 2.2.2. Tenders submitted by Post shall be sent by Post with due allowance for any postal/ courier delays. BHEL shall not be responsible for any postal delay.
- 2.2.3. In addition to submission of paper bid, bidder may submit offers by E-mail which shall be processed as per the Standard operating procedure at Annexure-C.
- 2.2.4. Tenders shall be signed by a person authorised/empowered to do so. An attested copy of the power of attorney, in case the tender is signed by an individual other than the sole proprietor, shall be submitted along with tenders with details mentioned under:

Individual tenderer	His / her full name, address and place & nature of business.
For partnership firm	The names of all the partners and their addresses, A copy of the partnership deed/instrument of partnership duly certified by the Notary Public shall be enclosed.
For companies	Date and place of registration including date of commencement certificate in case of Public Companies (certified copies of Memorandum and articles of Association are also to be furnished. Nature of business carried on by the Company and the provisions of the Memorandum relating thereof.

- 2.2.5. Unless otherwise specified in NIT the bids shall be invited in two parts:

PART I Techno- Commercial bid: This shall consider of following documents:

- Technical specifications of the offer.

- Duly filled form and documents in support of meeting the pre-qualifying requirement.
- Signed and stamped unpriced copy of Price Bid.
- Duly filled Supplier Registration Form (SRF) downloaded from www.bhel.com.
- DD/EFT/UPI receipt for the amount equal to Tender cost as mentioned in NIT in favour of 'BHEL VARANASI' payable at Varanasi or Account details mentioned under:

EFT /RTGS Details	UPI Details
Bank Name: State Bank of India, IFSC Code: SBIN0000201, Account No: 011103264820, Branch Code: 0201, Address: State Bank of India, Main Branch Kachaheri, Varanasi.	Scan & Pay Using Any UPI App to UPI ID: bhel20@sbi MERCHANT NAME: BHARAT HEAVY ELECTRICALS LTD

- MSME shall be extended exemptions as per guidelines of Ministry of Micro Small Medium enterprises and Clause 2.5.5.

PART II Price Bid as per NIT.

2.2.6 The Part-I and Part-II Bids are to be sealed in separate envelopes and marked as "Techno-commercial Bid (Part-I)" and "Price Bid (Part-II)" respectively. Both the envelopes are to be kept in another common envelope and marked as "BID". Each envelope should be sealed and super scribed with NIT No, Bidder's name and address on each envelope.

2.3 EVALUATION OF TENDERS

- Technical bids submitted by the tenderer will be opened first & evaluated for fulfilling Pre Qualifying requirement and other conditions in NIT/ Tender documents
- The bid will be opened as per date & time mentioned in NIT as per Standard operating procedure (SOP) for opening of tenders invited in Hardcopy/E-mail as per Annexure-C.
- The Bidder or his authorised representative may be present at the time of opening of bid on the specified date after seeking written permission in this regard from Tender Inviting authority taken prior to Tender opening date. A copy of confirmation /acceptance must be produced in the office by the person attending the opening of bid else he shall be denied permission to attend the opening of bid.
- In case of unscheduled holiday on the closing/opening day of bid, the next working day will be treated as scheduled prescribed day of closing/opening of bid, the time notified remaining the same.

2.4 EARNEST MONETY DEPOSIT

2.4.1 Rates of EMD shall be as under:

For works/ services with estimates upto Rs.10 Crs	2% of the estimated cost
For works/ services with estimates more than Rs.10 Crs	20 lakhs plus 1% of the estimated cost over Rs. 10 Crs

Where work is to be split on two or more contractors, amount of EMD may be based on the maximum quantum of work envisaged on one Contractor.

2.4.2 The EMD may be accepted only in the following forms:

- (i) Cash deposit as permissible under the extant Income Tax Act (before tender Opening).
- (ii) Electronic Fund Transfer credited in BHEL account (before tender opening)
- (iii) Banker's cheque/ Pay order/ Demand draft, in favour of BHEL (along with offer).
- (iv) Fixed deposit receipt (FDR) issued by any scheduled banks/ Public Finance Institutions as defined in Companies Act (FDR should be in the name of the contractor, a/c BHEL).

In addition to above, EMD in excess of Rs.2.00 lacs may be accepted in the form of Bank Guarantee from scheduled bank. The Bank Guarantee in such cases shall be valid for at least six months.

2.4.3. FORFEITURE OF EMD

EMD by the Tenderer will be forfeited as per NIT conditions, if:

- i) After opening 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.
- ii) The Contractor fails to deposit the required Security deposit or commence the work within the period as per LOI/ Contract.

2.4.4 EMD given by all unsuccessful tenderers shall be refunded normally within fifteen days of award of work. In case of expiry of offer validity period or any other circumstances, EMD can be released with the approval of Head of Contracting deptt., not below the rank of AGM.

2.4.5 EMD shall not carry any interest.

2.4.6 SPECIAL CONDITIONS FOR MSME: Refer Clause No-2.5.5.

2.5 SECURITY DEPOSIT 'SD':

2.5.1. The total amount of Security Deposit will be 5% of the contract value. EMD of the successful tenderer shall be converted and adjusted towards the required amount of Security Deposit.

2.5.2. Security deposit may be furnished in any one of the following form:

- i) Cash (as permissible under the extant Income Tax Act)
- ii) Local cheques of Scheduled Banks (subject to realization)/ Pay Order/ Demand Draft/ Electronic Fund Transfer in favour of BHEL
- 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
- 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)

2.5.3. COLLECTION OF SECURITY:

- 2.5.3.1 At least 50% of the required Security Deposit, including the EMD, shall be collected before start of the work. Balance of the Security Deposit shall 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.
- 2.5.3.2 If the value of work done at any time exceeds the contract value, the amount of Security Deposit shall be correspondingly enhanced and the additional Security Deposit shall be immediately deposited by the Contractor or recovered from payment/s due to the Contractor.
- 2.5.3.3 The recoveries made from running bills (cash deduction towards balance SD amount) can be released against submission of equivalent Bank Guarantee in acceptable form, but only once, before completion of work, with the approval of the authority competent to award the work.

2.5.4 REFUND OF SECURITY DEPOSIT:

- 2.5.4.1 After expiration of the Defect Liability period, provided always that the contractor shall first have been paid final bill and have rendered a "No Demand" certificate, the security deposit shall be refunded to the contractor as follows: 100% shall be released after satisfactory completion of the Defect liability period of the work duly after verification/certification by Engineer-In-charge.
- 2.5.4.2 The Defect liability period of work shall be as per section 2.8.

2.5.5. SPECIAL CONDITIONS FOR MSME- EXEMPTIONS

- 2.5.5.1 Tender documents shall be issued free of cost & no EMD wherever called for will be insisted upon.
- 2.5.5.2 MSE suppliers can avail the intended benefits as per guidelines of Ministry of MSE only if they submit following documents along with part I bid:
- Attested copies of either EM-II certificate having deemed validity (five years from the date of issue of acknowledgement in EM-II)
 - Valid NSIC certificate/UAM certificate
 - EM-II certificate along with CA certificate, where deemed validity of EM-II certificate of five years has expired, applicable for the relevant F/Y (latest audited).
- 2.5.5.3. Date to be reckoned for determining the deemed validity will be the date of bid opening (part -1 in case of two part bid).
- 2.5.5.4. Non submission of such documents will lead to consideration of their bid at par with other bidders. No benefit 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 office.
- 2.5.5.5. In case of any change in the MSE status of the bidder, it shall be responsibility of the bidder to notify the change as a part of the bid document. If at a later date it comes to notice of BHEL, that the change in the status has not been intimated by the bidder and the order is obtained under the premise of an MSE, then BHEL would cancel the pending order against this tender and take necessary action

suspension of the business dealing with the bidder as per procurement policy of BHEL.

2.6 PERFORMANCE GUARANTEE FOR WORKMANSHIP/ DEFECT LIABILITY PERIOD

Unless otherwise specified in Special Conditions of contract (SCC), the contractor shall be responsible for the quality of the workmanship and shall make good or remedy at his own expense within defect liability period which shall be for a period of 12 months from date of completion of works or else as mentioned in special conditions for contract. During this period the contractor shall rectify free of cost all defects due to faulty erection, installation & commissioning detected during defect liability period. In the event of the contractor failing to repair the defective works within the time specified by the Engineer, BHEL may proceed to undertake the repairs of such defective works at the contractor's risk and cost (Refer Clause 4.9), without prejudice to any other rights & recover the same from the Security deposit.

2.6.1 BANK GUARANTEES

2.6.1.1 Where ever Bank Guarantees are to be furnished / submitted by the contractor, the following shall be complied with:

- Bank Guarantees shall be from scheduled Banks/ Public Financial Institutions as defined in the companies Act.
- The Bank Guarantees shall be as per prescribed format approved by BHEL.
- It is the responsibility of the bidder to get the Bank Guarantees revalidated/ extended for the required period (subject to a minimum period of 6 months), as per the advice of Engineer in charge.
- BHEL shall not be liable for issue of any reminders regarding expiry of the Bank Guarantees.
- In case of extension / further extensions of any Bank Guarantees are not required, the bidders shall ensure that the same is explicitly endorsed by the Head of Department and approved by the Head of unit.

2.6.1.2. In case the Bank Guarantees are not extended before the expiry date, BHEL reserves the right to invoke the same by informing the concerned Bank in writing, without any advance notice/communication to the concerned bidder

2.6.1.3. Bidders to note that any corrections to the Bank Guarantees shall be done by issuing Bank, only through an amendment in an appropriate non judicial stamp paper.

2.6.1.4. The Original Bank Guarantee shall be sent directly by the Bank to BHEL under Registered Post (Acknowledgement Due), addressed to the head of contracting department.

2.6.1.5. The validity of Bank Guarantee towards security deposit shall initially up to completion period plus defect liability period + 3 months (claim period) and the same shall be further kept valid as per advice of Engineer in charge.

2.6.1.6. Further BHEL reserves the right of forfeiture of security deposit in addition to other claims & penalty in the event of contractor's failure to fulfil any of the contractual obligations or in the event of termination of contract as per terms & conditions of the contract. BHEL reserves the right to set off the security deposit against any claims of any contracts with BHEL.

2.6.1.7 Release of SD: 100% SD shall be released only after expiry of Defect liability period subject to satisfactory completion of work as per contract & submission of claim as per prescribed claim format.

2.7 TENDOR COST:

Bidders must deposit the Tender cost as mentioned in the NIT through EFT and submit proof of the same along with bid. (MSME vendors may refer clause No- 2.5.5).

2.8 VALIDITY OF OFFER:

The validity of the offer shall be 90 days or else as specified in NIT.

2.9 RIGHT OF BHEL TO REJECT TENDERS:

- 2.9.1 The acceptance of tender will rest with BHEL which does not bind itself to accept the lowest tender or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever: -
- a. To reject any or all of the tenders.
 - b. To split up the work amongst two or more tenderers as per NIT
 - c. To award the work in part if specified in NIT
 - d. In case of either of the contingencies stated in (b) and (c) above, the time for completion as stipulated in the tender shall be applicable.
- 2.9.2 Conditional tenders, unsolicited tenders, tenders which are incomplete or not in the form specified or defective or have been materially altered or not in accordance with the tender conditions, specifications etc., are liable to be rejected.
- 2.9.3 Tenders are liable to be rejected in case of unsatisfactory performance of the tenderer with BHEL, or tenderer under suspension (hold/banning /delisted) by any unit / region / division of BHEL or tenderers who do not comply with the latest guidelines of Ministry/Commissions of Govt. of India. BHEL reserves the right to reject a bidder in case it is observed that they are overloaded and may not be in a position to execute this job as per the required schedule. The decision of BHEL will be final in this regard.
- 2.9.4 In the course of evaluation, if more than one bidder happens to occupy L-1 status, effective L-1 will be decided by soliciting discounts from the respective L-1 bidders. In case more than one bidders happen to occupy the L-1 status even after soliciting discount, the L-1 bidder shall be decided by a toss/draw of lots, in the presence of the respective bidder(s) or their representative(s). Ranking will be done accordingly. BHEL's decision in such situation shall be final and binding.

CHAPTER III

3.0 CONTRACT EXECUTION & PERFORMANCE

3.1. GENERAL INSTRUCTION TO CONTRACTOR FOR WORK EXECUTION

- 3.1.1. The decision of BHEL regarding interpretation of any of terms and conditions set forth in the agreement shall be final and binding on the contractor.
- 3.1.2. In case of any discrepancy between the specification and / or the drawing, the Accepting Officer shall be the deciding authority as to which shall prevail and his decision shall be final and conclusive. If neither drawings nor specifications contain any mention of minor details of construction, which in the opinion of the Accepting Officer are essentially as are reasonable and obviously and fairly intended for the satisfactory completion for the work, whose decision shall be final and conclusive.
- 3.1.3. The contractor shall, at his own expense, supply all stores and material required for the contract other than those which may be provided by BHEL at the rates detailed therein subject availability at the place of issue indicated therein. All stores and materials to be supplied by the contractor shall be of the best quality as described in the specification and the contractor shall ensure that the stores and materials comply with the specifications.
- 3.1.4. The contractor shall not sub-contract any portion of the contract without the prior written approval of the Accepting Authority. Employment of piece rate workers shall not be deemed as sub-contracting.
- 3.1.5. Contractor shall decide the number of employees to be deployed for execution of the work awarded to him and he or his authorized representative will be solely entitled to dictate such workers about the manner of carrying out the work as per the prescribed specifications and quality plan. Contractor/ authorized supervisor of the contractor shall supervise the work allotted to him and to be carried out by his employees.
- 3.1.6. Contractor to ensure that the employees deployed in the premises of BHEL are physically and mentally fit and do not have any criminal record. Such employees should possess requisite skill, proficiency, qualification, experience etc.
- 3.1.7. Contractor will keep watch on his employees and he will be liable for any pilferage / loss to BHEL due to acts of omission and commission by his employees. Similarly, liability for any compensation to outsiders on account of any act of omission and commission by the employees deployed by the contractor shall lie exclusively with him.
- 3.1.8. The successful tender's responsibility under these contracts commences from the date of issue of the letter of intent (LOI) by BHEL. The tender shall submit unqualified acceptance to the letter of intent/ award within the period stipulated therein.
- 3.1.9. The successful tender shall be required to execute an agreement in the prescribed form with BHEL within a reasonable time after the acceptance of the LOI/ LOA and in any case before releasing the first running bill. The contract agreement shall be signed by a person duly authorised/ empowered by the tender. The expenses for preparation of agreement document shall be borne by BHEL except cost towards purchase of non-judicial stamp paper.
- 3.1.10. After signing the formal contract agreement, as above, BHEL shall issue work order to the party containing all salient features of the contract agreement required by both the parties.

- 3.1.11. Contractor shall carry out operations hereunder with due diligence shall maintain strict discipline and shall abide by and conform to all rules and regulations promulgated by BHEL. Should BHEL feel that the conduct of any of contractor/subcontractors employees is detrimental to Organization's interest & Safety, BHEL shall have the unqualified right to request for the removal of such employee either for incompetence, unreliability, misbehaviour, security reasons etc. while on or off the job.

3.2. WORK COMPLETION TIME

- 3.2.1 Time is the essence of the contract and is specified in the Special Conditions of Contract of the Tender document
- 3.2.2. The Contractor shall commence the work as per the time indicated in the Letter of Intent from BHEL and shall proceed with the same with due expedition without delay.
- 3.2.3. If the contractor fails to start the work within stipulated time as per LOI or as intimated by BHEL, then BHEL at its sole discretion will have the right to cancel the contract. The Earnest money and or Security Deposit with BHEL will stand forfeited without any further reference to him without prejudice to any and all of BHEL's other rights and remedies in this regard.
- 3.2.4. The contract shall be considered and closed upon completion of all contractual obligations and settlement of Final Bill or completion of Guarantee period whichever is later. Upon closing of contract, BHEL shall issue a completion certificate as per standard format, based on specific request of contractor.
- 3.2.5. The entire work shall be completed by the contractor within the time schedule or within such extended periods of time as may be allowed by BHEL.

3.3. EXTENSION OF TIME FOR COMPLETION

- 3.3.1. If the completion of work as detailed in the scope of work gets delayed beyond the contract period, the contractor shall request for an extension of the contract and BHEL at its discretion may extend the contract.
- 3.3.2. Based on the progress review & performance evaluation, the works balance at the end of original contract period less the backlog attributable to the contractor shall be quantified, and the number of months of 'Time extension' required for completion of the same shall be jointly worked out. Within this period of 'Time extension', the contractor is bound to complete the portion of the backlog attributable to the contractor. Any further 'Time extension' at the end of the previous extension shall be worked out similarly.
- 3.3.3. However, if any 'Time Extension' is granted to the contractor to facilitate continuation of work and completion of contract, due to backlog attributable to the contractor alone, then it shall be without prejudice to the rights of BHEL to impose penalty/ LD for the delays attributable to the contractor, in addition to any other actions BHEL may wish to take at the risk & cost of contractor.
- 3.3.4. At the end of total work completion as certified by BHEL Engineer, and upon analysis of the total delay, the portion of time extensions attributable to (i) Contractor, (ii) Force Majeure conditions and (iii) BHEL, shall be worked out and shall be considered to be exhausted in the same order. The total period of times extensions shall be the sum of (i), (ii) and (iii) above and shall be equal to period between the scheduled date of completion and the actual date of completion of contract. LD shall be imposed / levied for the portion of time extensions attributable to contractor and recoverable from the dues payable to the contractor.

3.4. PROGRESS MONITORING, MONTHLY REVIEW AND PERFORMANCE EVALUATION

- 3.4.1. As soon as possible after awarding of work, the Engineer-In-charge and the contractor shall (if so required by the Engineer-In-charge) agree on major milestones/ Action Plan / time and progress chart for completion of the work within scheduled time. The chart in the work order shall have the completion date of the individual items thereof and/ or the contract or order as a whole. It shall indicate the forecast of the dates for commencement and completion of the various processes or sequences of the work, and shall be amended as may be required by agreement between Engineer-In-charge and contractor writing the limitations of time imposed in the tender document or order.
- 3.4.2. In the absence of any specific time and progress chart to be agreed to between the contractor and Engineer In charge, the contractor shall ensure and maintain, uninterrupted progress of the work such that the entire work shall be completed within the time imposed in the tender documents or order and the proportion of work that shall be completed up to any time in relation to the entire work to be done under the contract or order shall not be less than the proportion that the time elapsed bears to the total time of completion provided in the tender documents or order.
- 3.4.3. The contractor shall suspend the execution of the work or any part or parts thereof whenever called upon in writing by the Engineer-In-charge. The contractor will be allowed an extension of time for completion limited to not less than the period of suspension but no other claim in respect for compensation or otherwise whatsoever will be admitted. Time may also be extended to allow for alteration of work made by the deviation order as may be decided upon by the Engineer-In-charge in consultation with the contractor.
- 3.4.4 Unless otherwise specified in the Special conditions of contract, evaluation of Contractor Performance shall be carried out as per procedure for performance evaluation. These shall also be used for evaluation of bids for future tenders.

3.5. QUANTITY VARIATION

The quantities given in the contract are tentative and may change to any extent (both in plus side and minus side). The quoted rates for individual items shall remain firm irrespective of any variations in the individual quantities. No compensation becomes payable in case the variation of the final executed contract value unless specifically mentioned in NIT.

3.6. EXTRA WORKS

- 3.6.1. All rectifications/modifications, revamping, and reworks required for any reasons not due to the fault of the contractor, or needed due to any change in deviation from drawings and design of equipment, operation/maintenance requirements, mismatching, or due to damages in transit, storage and erection/commissioning, and other allied works which are not very specifically indicated in the drawings, but are found essential for satisfactory completion of the work, will be considered as extra works.
- 3.6.2. Extra works arising on account of the contractor's fault, irrespective of time consumed in rectification of the damage/loss, will have to be carried out by the contractor free of cost. Under such circumstances, any material and consumable required for this purpose will also have to be arranged by the contractor at his cost.
- 3.6.3. All the extra work should be carried out by a separately identifiable gang, without affecting routine activities. Daily log sheets in the pro-forma prescribed by BHEL should be maintained and shall be signed by the contractor's representative and BHEL

engineer. No claim for extra work will be considered/entertained in the absence of the said supporting documents i.e. daily log sheets. Signing of log sheets by BHEL engineer does not necessarily mean the acceptance of such works as extra works.

3.7. STRIKES & LOCKOUT

- 3.7.1. The contractor will be fully responsible for all disputes and other issues connected with his labour.
- 3.7.2. In the event of the contractor's labour resorting to strike or the Contractor resorting to lockout and if the strike or lockout declared is not settled within a period of one month, BHEL shall have the right to get the work executed through any other agencies and the cost so incurred by BHEL shall be deducted from the Contractor's bills.

3.8. DELAY AND EXTENSION OF TIME:

3.8.1 The Contractor shall be entitled to extension of time in following cases:

3.8.1.1 FORCE MAJEURE

The following shall amount to Force Majeure: -

- 3.8.1.1.1 Acts of God, act of any Government, War, Sabotage, Riots, Civil Commotion, local combination of worker strike or lockout, Police Action, Revolution, Flood, serious loss or damage by Fire, Cyclones, Earthquake and epidemic and other similar causes over which the contractor has no control.
- 3.8.1.1.2 Non-availability of stores, which are responsibility of BHEL etc. the same shall be covered under force majeure.
- 3.8.1.1.3 By reason of any other cause, which in the absolute discretion of the (Accepting officer of the contract) beyond the contractor control.
- 3.8.1.2. The Contractor's work held up for not being given possession of or access to the Site by BHEL.
- 3.8.1.3. Instruction of the Engineer-in-charge to suspend the Works and the Contractor not being in default as to reasons of suspension;
- 3.8.1.4 Any order of Court restraining the performance of the Contract in full or in any part thereof;
- 3.8.1.5 Any other event or occurrence which, according to BHEL is not due to the Contractor's failure or fault, and is beyond its control without BHEL being responsible for the same;
- 3.8.1.6 Acts or omissions of other Consultants in executing their works not forming part of the Contract.

3.8.2. Except as mentioned above, the Contractor shall not be entitled to any extension of time for any reason whatsoever including:

- 3.8.2.1. The Contractor shall not be entitled to any extension of time where the instructions or acts of BHEL are necessitated by or intended to cure any default of or breach of the terms of the Contract committed by the Contractor;
- 3.8.2.2. The Contractor shall also not be entitled to any extension of time where any delay is due to:
 - The failure of its Subcontractor, to commence or to carry out the part of the Works in due time; or

- Non-availability, or shortage of Contractor's equipment, labour, utility services, Plant and Materials; or
 - Inclement weather conditions except in case of Force Majeure;
- 3.8.3. If the contractor suffers delay in the due execution of the contractual obligation due to delays caused by factors mentioned in Clause 3.8.1 above, the agreed time of completion of the job covered by this contract or the obligations of the contractor shall be extended by a period of time equal to period of delay, provided that on the occurrence of any such contingency, the contractor reports to BHEL in writing the causes of delay within 07 days of its occurrence and the contractor shall not be eligible for any compensations.
- 3.8.4 When in such case(s) the accepting officer (or higher Authority), on recommendation of the Engineer-In- charge, may make fair and reasonable extension, in the completion date of the individual items of work of the contract as a whole. Such extension, which will be communicated to the contractor by the Engineer- In-charge in writing, but shall nevertheless use constantly his best endeavour to prevent or make good the delay and shall do all that may be reasonable required to the satisfaction of the Engineer-In- charge to proceed with the work.

3.9. INSURANCE

- 3.9.1. BHEL shall arrange for insuring the materials/properties of BHEL covering the risks during transit, storage, erection and commissioning.
- 3.9.2. It is the sole responsibility of the contractor to insure his materials, equipment, workmen, etc. against accidents and injury while at work and to pay compensation, if any, to workmen as per Workmen's compensation Act.
- 3.9.3. If due to negligence and or non-observation of safety and other precautions by the contractors, any accident/injury occurs to the property / manpower belong to third party, the contractor shall have to pay necessary compensation and other expense, if so decided by the appropriate authorities.
- 3.9.4. The contractor will take necessary precautions and due care to protect the material, while in his custody from any damage/ loss due to theft or otherwise till the same is taken over by BHEL or customer.
- 3.9.5. For lodging / processing of insurance claim the contractor will submit necessary documents. BHEL will recover the loss including the deductible franchise from the contractor, in case the damage / loss is due to carelessness / negligence on the part of the contractor. In case of any theft of material under contractor's custody, matter shall be reported to police by the contractor immediately and copy of FIR and subsequently police investigation report shall be submitted to BHEL for taking up with insurance. However, this will not relieve the contractor of his contractual obligation for the material in his custody.
- 3.9.6 The contractor shall ensure that no damage is caused to any person/property of other parties working at site. If any such damage is caused, it is responsibility of the contractor to make good the losses or compensate for the same.

3.10 TEMPORARY WORKS

- 3.10.1 All Temporary Works necessary for the proper execution of the Works shall be provided and maintained by the Contractor at its own cost and subject to the consent of the Engineer-in-Charge, shall be removed by the Contractor at its own expense when such Works are no longer required and in such manner as the Engineer-in-Charge shall direct. In case the Contractor fails to remove the Temporary Works on completion of the Works, the Engineer-in-charge is authorized to get such Temporary

Works removed and recover the cost thereof from the Contractor or deduct such costs from the payments to be made to the Contractor.

- 3.10.2 The contractor shall keep the area of work clean and shall remove the debris etc. while executing day-to-day work. Upon completion of work, the contractor shall remove from the vicinity of work, all scrap, packing materials, rubbish, unused and other materials and deposit them in places specified by the Engineer. The contractor will also demolish all the hutments, sheds, offices, etc. constructed and used by him and shall clean the debris. In the event of his failure to do so, the same will be arranged to be done by the Engineer and the expenses recovered from the contractor.

CHAPTER-IV

VALUATION AND PAYMENT

4.1. RECORDS AND MEASUREMENTS:

- 4.1.1. All items having a financial value shall be entered in the BHEL Measurement book so that a complete record is obtained on all work performed under the contract.
- 4.1.2. Measurement shall be carried out as per unit mentioned in the bill of quality (price-bid).
- 4.1.3. The measurements shall be taken jointly by any person or persons duly authorized on the part of the BHEL and the contractor.
- 4.1.4. The Engineer-In-charge shall give reasonable notice in writing to the contractor of appointments for measurements.
- 4.1.5. The contractor shall without extra charge, provide assistance with appliance and other things necessary for measurements.
- 4.1.6. The contractor shall bear all the cost of measurement of his work.
- 4.1.7. Measurement shall be entered in the BHEL measurement book and signed and dated by both parties on the site on completion of measurement. If the contractor objects to any of the measurement recorded on behalf of BHEL in the Measurement Book or against the item or items objected to, and such note shall be signed and dated by both parties engaged in taking the measurements.
- 4.1.8. If as a result of such objection it becomes necessary to remeasure the work wholly or in part, the expense of such measurement shall be borne by the party requiring the measurement to be retaken provided that not error found by this remeasurement amount to less than 5% (five percent) of the value as recorded by the first measurement.
- 4.1.9. If the contractor's representative fails to attend when required, the Engineer-in-Charge shall have power to proceed by himself to take measurements, and in that case these measurements shall be accepted by the contractor as final.

4.2. RUNNING & FINAL BILLS:

- 4.2.1. For progress running bills payment: As soon as possible after completion of each quarter of work (else at any period as specified in Special conditions for contract) to the satisfaction of the Engineer-in-charge, the contractor shall prepare & forward certified bills & work out the financial value. These will be entered in Measurement Book & signed by both parties. Payment shall be made after affecting the recoveries due from the contractor.
- 4.2.2. The contractor shall be entitled to be paid the final sum less the value of payments already made on account subject to certification to the final bill by the Sr. Engineer. No charge shall be allowed to the contractor on account of the preparation of the final bills.
- 4.2.3. Final bill shall be submitted as per prescribed format after completion of work as per scope and upon material reconciliation (if apply) along with the following –
 - No claim certificate by contractor on a non-judicial stamp paper or Indemnity bond as per prescribed format duly notarized indemnifying BHEL in respect of specified works contract against all claims & demand against third party liability including labour and government agencies.
 - Clearance certificates which ever applicable viz., clearance certificate from customer, various statutory authority like labour department, PF authority commercial tax dept. etc.
- 4.2.4. BHEL shall settle the final bill after deducting all liabilities of contractor to BHEL preferably within 30 days of receipt of invoice complete in all respect.

4.3. PAYMENT OF BILLS:

All payments of basic amount to be made to the contractor through NEFT against running bill once in a month within a 30 days of receipt of bills complete in all respect after the certification by the Engineer- In-charge. The Contractor should submit a duly filled EFT Mandate form certified through Bank for release of payment. For payment of GST refer clause 4.5.2.

4.4. RECOVERY FROM THE CONTRACTOR:

4.4.1. Whenever under the contract any sum of money shall be recoverable from or payable to the contractor, the same may be deducted from any sum then due or which at any time thereafter may become due to the contractor under the contract or under any other contract with BHEL or from his security deposit, or he shall pay the claim on demand.

4.4.2. Recoveries arising out of Risk & Cost and LD or any other recoveries due from Contractor:

Following sequence shall be applicable for recoveries from contractor:

- a) Dues available in the form of Bills payable to contractor, SD, BGs against the same contract.
- b) Demand notice for deposit of balance recovery amount shall be sent to contractor, if funds are insufficient to effect complete recovery against dues indicated in (a) above.
- c) If contractor fails to deposit the balance amount to be recovered within the period as prescribed in demand notice, following action shall be taken for balance recovery:
- d) If recovery cannot be made out of dues payable to the contractor as above, balance amount to be recovered, shall be informed to other Regions/Units for making recovery from the Unpaid Bills/Running Bills/SD/BGs/Final Bills of contractor.

4.4.3 For civil contracts, recoveries on account of water supply charges shall be made at the rate of 0.1% of executed contract value unless exempted as per terms & conditions of contract.

4.4.4 Recoveries for tools, plant, electricity shall be effected as per terms & conditions of the contract.

4.5. TAXES AND OTHER DUTIES:

4.5.1 All statutory taxes, cess, levies & duties shall be deducted from the payment, as per GST Act 2017 & other prevailing government rules.

4.5.2. GST RELATED TERMS & CONDITIONS

4.5.2.1 Bidder has to specify the following in their techno commercial bid (part I bid in case of two part bid):

- a) Legal Name of the bidder as in GST registration, GST registration No., State, Place of business, category of registration under GST i.e. Registered dealer / Unregistered dealer/ dealer opted for Composition Scheme,

- b) HSN (Harmonised System Nomenclature) / SAC (Service Accounting Code), description of Goods/Services and applicable IGST / CGST / SGST rate and any other statutory levy, if any, for each item of Goods or Services.

- 4.5.2.2 Unregistered Dealer: Since in case of unregistered dealer, GST will have to be paid by BHEL under reverse charge mechanism, the same shall be added to the quoted price for evaluation bid.
- 4.5.2.3 Dealer opting for Composition Scheme in case of registered dealer, who opt for composition scheme at the time of submission of bid, no GST will be payable to the bidder and also same will not be considered for evaluation of bid. Dealer has to declare in technical bid that no GST is shown separately in price bid. However, in case at the time of actual supply, the bidder charges GST at normal rate, the same shall be reimbursed subject to the availability of GST credit to BHEL. In case GST credit is not available to BHEL, no GST will be payable to the bidder.
- 4.5.2.4 Reimbursement of GST shall be made by BHEL HERP on matching of Contractor inputs as mentioned below at GST portal and after ensuring of availability of input credit to BHEL, HERP. Hence, Contractor has to ensure compliance as follows:
 - a) Timely raising & submission of GST compliant Invoices
 - b) Timely receipt of Goods & Services
 - c) Timely and correct payment of applicable GST by supplier/contractor
 - d) Timely filing of return
 - e) Compliance of other applicable provisions on supplier/contractor:
- 4.5.2.5 Contractor has to also give consent to accept payment of tax after such matching in all cases where bills are submitted directly to BHEL-HERP or through bank or under LC or through any other mode.
- 4.5.2.6 In the event of any disallowance of input credit (including reversal of credit) or applicability of interest or arising of any other financial liability on BHEL-HERP due to any default of supplier/contractor under GST such as non/delayed receipt of Good/Services, delayed raising & submission of invoices, delayed payment of tax, non/wrong declaration of sale by Contractor in return etc. or any other reason not attributable to BHEL, such implication shall be to supplier's/contractor's account and will be deducted from bills.
- 4.5.2.7 In the event of any change in the status of the bidder after submission of the bid but before the supply/service, GST applicable at the time of supply/service or GST quoted in the bid, based on the registration status of the bidder, whichever is lower shall be payable.
- 4.5.2.8. Statutory Variation in Taxes & duties as applicable at the time of supply shall be payable. However, in the event of no change in law but bidder quoting certain tax structure in bid document which is lower than the applicable one, such amount shall be the maximum amount of tax that can be claimed by bidder.
- 4.5.2.9 In case of Liquidated damage (LD) recovery, the applicable GST shall also be recoverable from the suppliers.
- 4.5.2.10. As per the extant GST rules, as of now it is not mandatory to file returns immediately and ITC has been allowed on self-declaration. In view of the changed scenario, the payment of GST shall have made to the contractors simultaneously with their work/services invoices. GST portion of invoice value will be paid only after fulfilling following conditions:
 - (a) Payment of GST amount into Govt. Account by supplier against invoice raised to BHEL.
 - (b) Filing of GST return within scheduled date.

(c) Display of GST credit against BHEL GSTIN NO.09AAACB4146P2ZC on GSTN portal.

4.6. INCOME TAX- IT:

All statutory taxes & levies shall be deducted from the payment, as per prevailing government rules.

4.7. MISCELLANEOUS CHARGES:

Unless otherwise specified in the Special conditions of Contract, Water & Electricity shall be provided by BHEL free of cost.

All charges on account of octroi, terminal, Entry tax, royalty or sales tax and/or other duties on materials obtained for the work (excluding materials provided by BHEL) shall be borne by the contractor.

4.8. LIQUIDATED DAMAGE (LD)

4.8.1. If the contractor fails to maintain the required progress of work which results in delay in the completion of the work as per the contractual completion period, BHEL shall have the right to impose Liquidated Damage/Penalty at the rate of 0.5% of the contract value, per week of delay or part thereof subject to a maximum of 10% of the contract value. For this purpose, the period of delay shall be the delay attributable to the Contractor for the completion of work as per contract.

4.8.2 LD against delay in executed work/supply in case of Termination of Contract LD against delay in executed work/supply shall be calculated in line with LD clause of the contract for the delay attributable to contractor/ supplier.

For this purpose, contract value shall be taken as Executed Value of work/supply for the purpose of limiting maximum LD value. Method for calculation of "LD against delay in executed work/supply" is given below.

- i. Let the time period from scheduled date of start of work till termination of contract excluding the period of Hold (if any) not attributable to contractor/ supplier= T1
- ii. Let the value of executed work/supply till the time of termination of contract= X
- iii. Let the Total Executable Value of work/supply for which inputs/fronts were made available to contractor/ supplier and were planned for execution till termination of contract = Y
- iv. Delay in executed work/supply attributable to contractor/supplier i.e. $T2 = (1 - X/Y) \times T1$
- v. LD shall be calculated in line with LD clause of the Contract for the delay attributable to contractor/ supplier taking "X" as Contract Value and "T2" as delay attributable to contractor/ supplier.

4.9. Risk & Cost Amount against Balance Work

Risk & Cost Clause, in line with Conditions of Contract may be invoked in any of the following cases:

1. Contractor/ supplier's poor progress of the work vis-à-vis execution timeline as stipulated in the Contract, backlog attributable to contractor/ supplier including unexecuted portion of work/ supply does not appear to be executable within balance available period (#) considering its performance of execution.

2. Withdrawal from or abandonment of the work by contractor before completion of the work as per contract.
3. Non completion of work/ Non-supply by the Contractor/ supplier within scheduled completion/delivery period as per Contract or as extended from time to time, for the reason attributable to the contractor/ supplier.
4. Termination of Contract on account of any other reason (s) attributable to Contractor/ Supplier.
5. Assignment, transfer, subletting of Contract without BHEL's written permission resulting in termination of Contract or part thereof by BHEL.
6. Non-compliance to any contractual condition or any other default attributable to Contractor/ Supplier.

Risk & Cost amount against balance work shall be calculated as follows:

Risk & Cost Amount= $[(A-B) + (A \times H/100)]$

Where A= Value of Balance scope of Work as per rates of new contract

B= Value of Balance scope of Work as per rates of old contract being paid to the contractor at the time of termination of contract i.e. inclusive of PVC, if any.

H = Overhead Factor to be taken as 5

7. The Supplier / Contractor shall on no account be entitled to any gain on such risk & cost purchase.

4.10. No Interest payable to Contractor

Notwithstanding anything to the contrary contained in any other document comprising in the Contract, no interest shall be payable by BHEL to Contractor on any moneys or balances including but not limited to the Security Deposit, EMD, Retention Money, RA Bills or the Final Bill, or any amount withheld and/or appropriated by BHEL etc., which becomes or as the case may be, is adjudged to be due from BHEL to Contractor whether under the Contract or otherwise.

CHAPTER- V

5.0 RESPONSIBILITIES OF THE CONTRACTOR IN RESPECT OF LAWS, EMPLOYMENT OF WORKERS ETC.

5.1. The contractor should ensure compliance of labour laws, payment of wages, bonus, PF, ESIC, allowances for safety & hardship & other nonmonetary/ statutory benefits etc to labours employed by him either directly or through sub- contractors, in accordance with the provisions of:

- Contract Labour (R&A) Act 1970 and rules 1971.
- Payment of wages Act.
- Minimum Wages act 1948,
- Employees State Insurance Act 1948, Rules and regulations 1950.
- Employees Provident Fund Act 1952 and Pension Scheme 1995.
- Employees Compensation Act 1923.
- Maternity Benefit Act 1961.
- Equal Emolument Act 1976.
- Payment of Bonus Act 1963.
- Inter State Migrant Act.
- Building and Other Constructions Workers Act, 1996,

5.2. The contractor shall at all times indemnify BHEL HERP against all claims, damages or compensation under the provisions of above acts or any modifications thereof or any other law relating thereof and rules made thereunder from time to time or as consequence of any accident or injury to any workman or other persons in or about the works, whether in the employment of the contractor or not, save and except where such accident or injury has resulted from any act of the Corporation, its agents, or servants, and also against all costs, charges and expenses of any suit, action or preceding arising out of such accident or injury and against all sum or sums which may with the consent of the contractor be paid to compromise or compendia any such claim.

5.3 The Contractor in the event of engaging 20 or more workmen, shall obtain Independent license under the Contract labour (Regulation and Abolition) Act 1970 from the concerned authorities based on Form-V issued by the Principal Employer/Customer. In order to issue Form-V by Customer, Contractor shall fulfill all Statutory requirements like Insurance Policy, PF Code/PF Account number etc as per the requirement of BHEL/Customer.

5.4 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 per Employee's Compensation Act, 1923 & Guidelines for Settlement of Claims for Compensation on accidents applicable to the Department of Public Enterprises (Annexure-D).

5.5 Contractor shall ensure payment of statutory prescribed minimum wages as applicable from time to time in the presence authorized representative of BHEL and maintain proper records of their timely disbursement. These records need to be preserved for a period of at least any 3 years and should be made available even after the contract is over for any verification by the statutory/BHEL authorities.

5.6. In case of the contractor employs Women as employee he will discharge his obligation under law in respect of such women workers as per Factory Act, Maternity Benefit Act and other laws of Uttar Pradesh.

5.7. The contractor shall pay and bear all taxes, fees, license charges, Cess, duties, deposits, tolls, royalties, commission or other charges which may be leviable on account of his operations in executing the contract.

- 5.8 All safety rules and codes applied by the BHEL at site shall be observed by the contractor without exception. The contractor shall be responsible for the safety of the equipment/material and works to be performed by him and shall maintain all light, fencing guards, slings etc. or other protection necessary for the purpose. Contractor shall also take such additional precautions as may be indicated from time to time by the Engineer-in-charge with a view to prevent pilferage, accidents, fire hazards. Due precautions shall be taken against fire hazards and atmospheric conditions.
- 5.9. Suitable number of Clerical staff, watch and ward, store keepers to take care of equipment/materials and construction tools and tackles shall be posted at site by the contractor till the completion of work under this contract.
- 5.10. The contractor shall arrange for such personal protective equipment as are necessary for such type of work and carry out the requisite site tests of handling equipment, lifting tools, tackles etc. as per prescribed standards and practices.
- 5.11. Contractor has to ensure the implementation of Health, Safety and Environment (HSE) requirements as per directions given by BHEL. The contractor has to assist in HSE audit by BHEL and submit compliance Report. The contractor has to generate and submit record/reports as per HSE plan/activities as per instruction of BHEL.
- 5.12 The Contractor shall not deploy any person below the age of 18 years or above the age of 60 years.

CHAPTER- VI

6.0 RIGHTS OF BHEL FOR TERMINATION/CANCELLATION OF CONTRACT

- 6.1. BHEL reserves the right 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 other agencies to suit BHEL's commitment to its customer or in case BHEL decides to advance the date of completion due to other emergent reasons/ BHEL's obligation to its customer.
- 6.2. BHEL reserves the right to terminate the contract or withdraw portion of work and get it done through other agency, at the risk and cost of the contractor after due notice of a period of Two weeks by BHEL in any of the following cases:
- i). Contractor's poor progress of the work vis-à-vis execution timeline as stipulated in the Contract, backlog attributable to contractor including unexecuted portion of work does not appear to be executable within balance available period considering its performance of execution.
 - ii). Withdrawal from or abandonment of the work by contractor before completion of the work as per contract.
 - iii). Non-completion of work by the Contractor within scheduled completion period as per Contract or as extended from time to time, for the reasons attributable to the contractor.
 - iv). Termination of Contract on account of any other reason (s) attributable to Contractor.
 - v). Assignment, transfer, subletting of Contract without BHEL's written permission.
 - vi). Non-compliance to any contractual condition or any other default attributable to Contractor.
- 6.3. If at any time after the acceptance of the tender, BHEL shall for any reason whatsoever not require the whole or any part of the work, to be carried out, the Engineer-In-charge 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 foreclosing of the work.
- 6.4. The contractor shall be paid at contract rates for the full amount of the work executed including such additional work i.e., cleaning of site etc. as may be rendered necessary by the said foreclosing. He shall also be allowed a reasonable payment (as decided by the Accepting Officer) for any expenses sustained on account of labour and material collected but which could not be utilized on the work as verified by the Engineer-In-charge but the contractor shall not have any claim for compensation on account of any alterations having been made in the original specifications, drawings, designs and instructions involving and curtailment of the work as originally contemplated.

Chapter VII

7.0 MISCELLANEOUS PROVISIONS & OTHER ISSUES.

7.1 SETTLEMENT OF DISPUTES & ARBITRATION:

- i. All questions/interpretations regarding subject matter of the contract shall be decided by the BHEL on the request of the vendor and the decision of the BHEL shall be final.
- ii. In case of dispute, steps shall be taken by the parties to the contract to settle the same through negotiations.
- iii. In case, dispute is not settled in negotiations, it shall be referred to conciliator appointed by the competent authority of the BHEL. The conciliation proceedings with respect to a dispute as defined in the BHEL Conciliation Scheme, 2018 and subsequent revisions can be initiated under the scheme at any stage whether before, during or even after the commencement of arbitration proceedings or litigation before courts. This conciliation scheme is available on our websites <https://herp.bhel.com> and www.bhel.com.
- iv. In case dispute is not settled in conciliation proceedings, the same shall be referred to arbitration as per corporate guidelines of the BHEL and the arbitration proceeding shall be conducted as per provisions of the arbitration and conciliation act, 1996 read with corporate guideline as amended from time to time.
- vi. The vendor shall continue to perform the contract, pending settlement of dispute(s).

7.2. LAWS GOVERNING THE CONTRACT:

The Order/Contract shall be executed and governed by the laws of India and the courts of India alone shall have jurisdiction in respect of any matter arising under or in connection with the Order/Contract.

7.3. ORDERS UNDER THE CONTRACT:

All orders, notices etc. to be under the contract shall be in writing, typescript or printed and if sent by registered post to the address given in tender of the contractor, shall be deemed to have been on the date when in ordinary course they would have been delivered to him. The contractor shall carry out without delay all orders given to him.

7.4. JURISDICTION OF COURT:

All disputes or differences arising out of or in connections with the contract shall be subject to the exclusive jurisdiction of the court at Varanasi (U.P.) Only.

7.5. CLOSING OF CONTRACTS

The Contract shall be considered completed and closed upon completion of all contractual obligations and settlement of Final Bill or completion of Guarantee period whichever is later. Upon closing of Contract, BHEL shall issue a completion certificate as per standard format, based on specific request of Contractor.

7.6. REVERSE AUCTION:

BHEL reserves the right to go for Reverse Auction for Price Bid Opening by BHEL appointed service provider, instead of opening the submitted sealed price bid in the conventional way. The Business Rules for Reverse Auction shall be as per BHEL guidelines issued from time to time. (Refer Annexure-A for Guidelines for Reverse Auction – 2020 (AA: SSP: RA:04) revised as on 04.03.2020).

7.7. SUSPENSION OF BUSINESS DEALINGS WITH CONTRACTORS:

Guidelines for suspension of business dealings with suppliers/ contractors: the revised guidelines for suspension of business dealings are available on BHEL website at "www.bhel.com" on "supplier registration page". Respective bidders / suppliers may refer this before quoting as per their requirement. Action against the defaulted suppliers/ contractors' shall be taken as per these guidelines only.

7.8 PUBLIC PROCUREMENT POLICY:

As per the directives of government of India in form of public procurement (preference to make in India) order, 2017 and subsequent orders, BHEL will extend the purchase preference to Indian vendors over foreign suppliers for items identified by the respective nodal ministries from time to time. "for this procurement, public procurement (preference to make in India), order 2017 dated 15.06.2017, 28.05.2018, 29.05.2019 & 04.06.2020 and subsequent orders issued by the respective nodal ministry shall be applicable even if issued after issue of this nit but before finalization of contract/ PO/ WO against this nit. In the event of any nodal ministry prescribing higher or lower percentage of purchase preference and/ or local content in respect of this procurement, same shall be applicable."

7.9 OTHER ISSUES:

Value of Non judicial Stamp paper for Bank guarantee and for Contract agreement shall be not less than Rs.100 unless otherwise required under relevant statutes.

In case of any conflict between the General Conditions of Contract and special Conditions of contract, provisions specified in the Special conditions of contract shall prevail.

BHEL may not insist for signing of Contract Agreements in respect of low value and short time period.

7.10 INTEGRITY PACT (IP):

The revised Implementation Circular, IP document and the IP clause will be applicable for all tenders (covered under Purchase Policy/ Works Policy) above threshold value (presently Rs. 5 Cr.) floated on or after 01st Aug 2018 as per Circular No. 18 of 2018-19 dtd 16.07.2018 (Refer Annexure-E).

Standard operating procedure (SOP) for opening of tenders invited in Hardcopy/E-mail

Objective: To maintain transparency and openness in opening of tenders invited in hardcopy/E-mail as per Purchase Policy/ Works Policy by maintaining social distance measures.

Scope: Tenders invited in Hardcopy/E-mail by HERP, Varanasi as per Purchase Policy/ Works Policy.

Procedure:

a. Tenders Invited in Hardcopy

1. The Part-1 (techno-commercial) of tender will be opened at a specified place and appointed date and time by representatives of Purchasing and Finance Departments. The date and time of Tender opening shall be clearly mentioned in NIT. The tender opening process shall be video recorded and live streaming will be done to the participating bidders through Internet. Before tender opening date, the interested Parties will send the request through mail to concerned Purchaser for access to live streaming of the tender opening process.
2. The Part-II (price bid) shall be opened on the due date and time by representatives of Purchasing department and Finance Departments and it shall be video recorded and live streaming will done to the techno commercially acceptable bidders through Internet. The date and time of opening of Price bids along with details of live streaming of tender opening process shall be shared with all techno commercially acceptable bidders through mail by concerned Purchaser.

b. Tenders invited through tender E-mail

1. In case tender has been invited through e-mail, the e-mail ID for tender submission shall be mentioned in NIT along with due date and time of tender opening. On due date and time, tender email ID shall be logged in by Purchaser and Finance department by entering jointly shared password of tender e-mail ID. This process of login and opening of emails of bidders shall be video recorded and live streaming will done through Internet. To witness this tender opening process, the interested Parties will send the request to concerned Purchaser for access to live streaming before tender opening date.
2. Similarly, the Part-II (price bid) shall be opened on the due date and time. All the techno commercially acceptable bidders shall be informed about the date and time of opening of price bids along with details of live streaming through mail by concerned Purchaser. On the due date and time, tender email ID shall be logged in by concerned Purchaser and Finance department by entering jointly shared password. Again, this process of login and opening of emails of bidders shall be video recorded and live streaming will done through Internet.

The above SOP will be reviewed by Purchase & Finance department after live streaming of one tender opening process through Internet. This SOP has been approved by Competent Authority and shall be effective with immediate effect.

Ritesh Kumar Srivastava,