



STEAM TURBINE MANUFACTURING DIVISION

Date 10/10/2022

Enquiry No. : STM/ WC/PAINT/2022-23/01

Subject: Works Contract for Painting operation and surface preparation for painting in STM DIVISION, Block 6

Sealed quotations are invited from the parties for the following work:

1. Name of the work: Works contract for **Painting Operation** in STM Division
2. Earnest Money Deposit Rs 10,789/-
3. Date of opening tender 26/10/2022
4. Type of BID **Two Part Bid (Part-I: Technical Bid; Part-II: Price Bid)**, Open tender

5. Scope of works

- **The total work is for 53941 Sq mtr area.**
- Only skilled painters to be deployed.
- Safety procedure to be followed while painting.
- Detail Scope of work attached

Sr No	Equipment	Total area (Sq. Mtr.)	Scope
1	Painting operation and surface preparation.	53941	Painting is to be done on all jobs as per drawing and approved standard to get required DFT and adhesion (Brush painting to be done). Successful Adhesion test is to be performed on all jobs. Surface preparation to be done on jobs before painting , wherever required. Identification on jobs to be done with paint, as per requirement. Final painting in all jobs is to be cleared by QC-STM and customer as per QAP.

6. General Terms and Conditions:

- **Price** : Rate per sq. mtr is to be quoted in attached Price Schedule.
- **Contract validity** : Up to 30/06/2023

(Duration of contract shall be strictly based on the performance, which will be evaluated after every three months by BHEL authority. BHEL also reserves the right to short close the contract at its discretion.)



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- **PF & ESI Registration** : Documents to be submitted along with enquiry.
 - **Payment terms:** Payment shall be made against the running bill as per sq. mtr area painted.
 - **Penalty Clause**
 - Penalty for delay in work: If the allocated work is not completed within scheduled time, penalty @0.5% per week to a maximum of 10% of W.O value shall be deducted. If any defects is noticed in the work at latter stage, the firm shall repair the same, in short time at free of cost. GST on penalty shall be charged extra. First one month shall not be considered for penalty in order to establish and streamline the contract.
 - Penalty for violation of safety norms - In case of violation of safety norms including non-use of personal protective equipment by the contractor's employee, the contractor shall be levied a penalty of Rs.1000/- per incident and if similar violation is repeated, an enhanced penalty of Rs.2000/- per incident shall be imposed. If any defects is noticed in the work at latter stage, the firm shall repair the same, in short time at free of cost. For damages BHEL shall recover all the cost from the Contractor for the payments already made for the particular Job.
7. **Payment of wages:-** Payment of wages as per current/ revised collector rate at the time of payment to be given to contract worker. Contractor shall anticipate such hike and quote for tenders.
8. **Cancellation of WO:-** In case if L1 party cannot full fill required work ,order will be cancelled and remaining work will be carried out by L2 party at the rate of L1.
9. **Quotations:**
1. NIT number and bidder's name and address should be clearly mentioned on envelopes. Top of the outer cover/envelope should contain following information:
 - NIT No. & Title of work.
 - BID opening date and time.
 - Bidder's name and address.
 2. **Bid in a sealed envelop is invited in two parts viz. Part-I: Technical Bid; Part-II: Price Bid.** Technical bid should contain documents in the same order as listed below:
 - EMD in the prescribed form/ONE time EMD.
 - Copy of PF and ESI registration.
 - Copy of pan card in which PAN is readable.
 - Copy of GST registration , if applicable.
 - Email address.
 - Signed and stamped copy of NIT as contractor's acceptance for works contract and its conditions.



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- Copy of labour license number issued by labour commissioner if available.
- Technical bid
- The Part-II shall contain only Price Bid in a separate sealed envelope. Price bid shall be opened for only those firms, which are found to be technically competent in Part- I (Technical Bid).

10. Submission of Tender

Tender duly sealed is to be **submitted by 26/10/2022 , 11AM** in the tender room , Ground Floor , Administrative building . BID will be opened on same day at 2 PM. Late tenders will not be accepted in any case.

11. Contractor to ensure the availability of dresses, safety shoes and safety helmet etc. to all workers deputed under this work.

12. Manpower Requirement: skilled painter.

13. SD CLAUSE:

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

13.1 Modes of deposit:

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

- i) 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)

13.2 Collection of Security

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



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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.

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.

13.3 Delay in Security Deposit Submission:

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

14. TAX: GST if applicable shall be paid extra.

15. All future correspondence will be done through email only.

16. Earnest Money is to be paid by each Tenderer along with the tender documents in a separate sealed envelope. Amount of earnest Money deposit shall be Rs. 10,788/- (Ten Thousand Seven Hundred And eighty eight Only)

16.1 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 scheduled Banks/Public financial Institutions as defined in the companies Act (FDR should be in the name of the Contractor's a/c BHEL)

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

Link for submission of online EMD: <https://www.bhelbpl.co.in/qcins/iccs.htm>

In the absence of submission of EMD, the offer will be summarily rejected. Party may deposit one time EMD of Rs. 5 lakhs instead of above.

16.2 EMD by the Tenderer will be forfeited as per tender documents. 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 of the work within the 15 days from issue of work order.

16.3 EMD by the tenderer shall be withheld in case any action on the tenderer is

envisaged under the provisions of extant "Guidelines on suspension of business dealings with contractors" and forfeited/ released based on the action as determined under these guidelines.

16.4 EMD given by all unsuccessful tenderers is refunded normally within fifteen days of award of work.

16.5 EMD shall not carry any interest.

16.6 EMD of successful tenderer will be retained as part of security deposit.

16.7 MSME firms are exempted from Tender fee & EMD.

17. In case of MSME-Payment will be made with in 45 days. In case of others, payment will be made with in 60 days.

18. If work is not executed or partly executed within the agreed execution period, BHEL reserves the right to cancel the work order and get the work executed from the alternate source(s) at the risk and cost of the contractor, In such an event, it shall be obligatory on the part of contractor to make good any loss suffered by BHEL

19. BHEL reserves the right to accept the offers in part or in full, cancel the tender enquiry or short close the contract without assigning any reason.

20. TDS under income tax act shall be deducted as applicable from contractor's bill.

21. MSME Benefits: -

- i) MSE Vendors are exempted from payment of EMD and tender fee.
- ii) MSE would be entitled to preferential payment of 45 days from the date of submission of Bill.
- iii) Purchase Preference – Subject to meeting terms and conditions stated in the tender document including but not limiting to prequalification criteria, twenty-five percent of the total quantity of the tender is earmarked for MSEs. Where the tendered quantity can be split, MSEs quoting a price within a price band of L1 + 15 percent shall be allowed to supply up to 25 percent of total tendered quantity provided they match L1 price. In case the tendered quantity cannot be split, MSE shall be allowed to supply total tendered quantity provided their quoted price is within a price band



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of L1 + 15 percent and they match the L1 price. In case of more than one such MSEs are in the price band of L1 + 15% and matches the L1 price, the supply may be shared proportionately.

Startup and/or MSME contractors shall be relaxed & exempted from prior experience & prior turnover subject to meeting of quality & technical specifications of BHEL Bhopal.

22. MSME will get 100 % exemption in deposition of EMD. However, exemption shall be given

23. Security Deposit / ePBG:

ePBG (Performance Bank Guarantee) shall be treated as Security Deposit after allotment of work order. The contractor shall submit ePBG as mentioned below: - i. ePBG shall be @3% of contract value, ii. Performance Bank Guarantee from a scheduled commercial bank must be submitted by Seller to the Buyer within 15 days of award of contract . iii. Validity of ePBG shall be 2 (Two) months beyond the date of completion of contract.

24. Arbitration and law:

All disputes between the parties to the Contract arising out of or in relation to the Contract, other than those for which the decision of the Engineer in the Contract or any other person is expressed to be final and conclusive, shall after written notice by either party to the contract to the other party, be referred to sole arbitration of the General Manager or his nominee. The Arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Reconciliation Act, 1996.

There will be no objection if the arbitrator is appointed is an employee of BHEL and that had to deal with the matters to which the contract relates and that in the course of his duties, as such he had expressed views on all or any of the matters in dispute or difference.

The arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason, such General Manager as aforesaid at the time of such transfer, vacation of office or inability to act, shall appoint another person to act as arbitrator in accordance with the terms of contract. Such person shall be entitled to proceed with the reference from the stage at which his predecessor left it. It is also a terms of this contract that no person other than a person appointed by such General Manager, as aforesaid should act as arbitrator and if for any reason, that is not possible, the matter is not to be referred to arbitration at all.

Subject as aforesaid the provision of the arbitration Act, 1996, or any statutory modification/reconditioning or reactant thereof and the rules made there under and for the time



being in forces shall apply to the arbitration proceeding under this clause. The seat of arbitration shall be Bhopal.

The cost of arbitration shall be borne as per award of arbitrator.

It is a term of the contract that the party involving arbitration shall specify the dispute or disputes to be referred to arbitration under this clause together with the amount or amount claimed in respect of each dispute. The arbitrator (s) may from time to time will consent of the parties enlarge the time for making and publishing the award.

The work under the contract shall if reasonably possible continue during the arbitration proceedings and no payment due or payable, to the certifying agency shall be withheld on account of such proceedings. The arbitrator shall be deemed to have entered in the reference on the date of the first hearing. The arbitrator shall give a separate award in respect of such dispute or difference referred to him.

The arbitration proceedings shall be held at Bhopal. The jurisdiction of courts for these proceeding shall be at Bhopal.

25. Time and Extension for delay:

The time allowed for execution, which shall be mutually agreed between the BHEL and the contractor, and mentioned in the work order, along with these conditions shall be the essence of the contract. The execution of the work shall commence from the 15th day after the date on which the Engineer-in-charge issues written order to commence the work. If the contractor commits default in commencing the execution of the work as aforesaid, Company / Corporation shall without prejudice to any other right or remedy be at liberty to cancel the order, and forfeit the earnest money / security deposit.

8.1 If the work is not executed or partly executed within the agreed execution period, BHEL reserves the right to cancel the order and get the work executed from the alternate source(s) at the risk and cost of the contractor. In such an event, it shall be obligatory on the part of contractor to make good any loss suffered by BHEL.

8.2 As soon as possible after the contract is concluded, the Engineer-in-charge and the contractor shall be agree upon a time and progress chart. The chart shall be prepared in direct relation to the time in the contract documents for completion of the work. It shall indicate the forecast of the dates of the commencement and completion of various activities to be done for completion of the work as per contract. This may be amended as necessary by agreement between the Engineer-in-charge and the contractor within the limitation of time imposed in the contract document and further ensure good progress during the execution of the work. The contractor shall in all cases in which the time allowed exceed one month, complete 1/8th of the whole of the work before 1/4th of the whole time



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allowed in the contract has elapsed, 3/8th of the work before 1/2 of such time has elapsed and 3/4 the before 3/4th of such time has elapsed.

8.3 If the work be delayed by :

- a) Force majeure of
- b) Serious loss or damaged by fire or
- c) Delay of the part of other contractor or company / corporation in executing work not forming part of contractor
- d) Non availability / release of the machine which is the responsibility of the company / corporation.
- e) Any other cause which is the absolute direction of accepting authority is beyond contractor's control. Then upon the happening of any such delay the contractor shall immediately give notice where of in writing to the Engineer-in-charge but shall never the less use constantly his best endeavours to prevent or mark good the delay and shall be all that may be reasonably required to the satisfaction of the Engineer-in-charge to proceed with the work.

8.4 Request for extension of time to be eligible for consideration shall be made by the contractor in writing within fourteen days of the happening of the event causing delay. The contractor may also, if practicable, indicate in such a request the period for which the extension is required. 8.4. The accepting authority may give a fair and reasonable extension of time for completion of work. Such extension shall be communicated to the contractor by the Engineer-in-charge in writing within one month of the date of receipt of such request.

- 26. **OVER RUN COMPENSATION:-**The contractor shall not be entitled for Over Run Compensation (ORC) for portion of Time Extension
- 27. attributable to BHEL.
- 28. **Related Party:**
The party submitting the bid shall give the information in case of related party transaction, which means if a Director or Key Management Person (KMP) of the BHEL or their relative hold position in the bidder's company shall give the information.
- 29. BHEL reserves the right to accept offer in part or full, cancel the tender enquiry or short close the contract with assigning any reason.
- 30. **FORCE Majeure clause:** Notwithstanding anything contained in the contract, neither BHEL nor the contractor shall be held responsible for total or partial non – execution of any of the contractual obligations, should the obligation become unreasonably onerous or impossible due to occurrence of a "Force Majeure" which directly affects the obligations to be performed by the BHEL or the contractor ; such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosions, epidemics, quarantine restrictions, floods,



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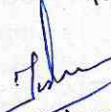
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earthquake, or acts of god, restrictions by Govt. authorities, over which the BHEL or the contractor has no control.

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

Notwithstanding above provisions, BHEL shall reserve the right to cancel the contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements. If deemed necessary, BHEL may takeover partly processed work at a mutually agreed price. The contractor will have to follow all the statutory requirements of BHEL for works contract and safety norms (See Page No 4). The contractor shall be responsible for total work including supervision and coordination. The jurisdiction area in case of any dispute will be Bhopal only.

Contracting Executive
(STM)


तुषार मांडले / TUSHAR MANDLE
उप प्रबंधक / Dy. Manager
एस. टी. एम. विभाग / STM Division
बी.एच.ई.एल., भोपाल / B.H.E.L., BHOPAL

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QUALIFYING CRITERIA

ACTIVITY: Works Contract for Painting operation and surface preparation for painting in STM DIVISION, Block 6

1. Average Annual Financial turnover of the firm for last 3 Financial years upto 31st March 2021 should be at least Rs. 1.62 Lakhs/-. Bidders to submit relevant documents like:
 - i) Audited Profit & Loss Account and Balance Sheet must be submitted as proof of Average Annual Turnover. The Financial statements must be signed by the owner and the auditor. Auditors seal, Name, Membership No., Firm Registration No. & firm name (if applicable), UDIN and the capacity in which he is signing (Proprietor/Partner), must be mentioned on the Profit & Loss A/c and Balance Sheet.
 - ii) In case of proprietorship and partnership firms where Audited Profit & Loss A/c and Balance Sheet is not available, CA certificate certifying turnover for the required financial years must be submitted. CA certificate must be on his letterhead mentioning his/her name, Membership No., Firm Registration No. & firm name (if applicable), UDIN, capacity in which he is signing (Proprietor/Partner), date and place of signing.
2. Experience of having executed work of value as mentioned below in the areas as mentioned in "similar nature of work" below: From April 2015 to July 2022 (Copy of work order & corresponding completion/Experience certificate in prescribed format to be submitted in proof of experience).
 - (i) For 3 completed works Contract – 2.16 lakh each or more
Or
 - (ii) For 2 completed works contract – 2.70 lakh each or more
Or
 - (iii) For 1 completed works contract – 4.32 lakh or more

SIMILAR NATURE OF WORK

Similar nature of work shall constitute experience in Painting (Any paint like Epoxy based paint, Zinc based paints, primer paint, intermediate paint, coal tar etc.) of BHEL jobs. Surface preparation of Jobs of BHEL.





GENERAL CONDITIONS OF CONTRACT:

As per the nature of work which shall necessarily include:

1. The decision of BHEL regarding interpretation of any terms and conditions set forth in the Agreement shall be final and binding on the contractor. In case the contractor does not carry out the contractual/statutory obligations or the services rendered by him are found to be unsatisfactory, it will brought to his notice first to rectify the deficiency/ anomaly within specified time (specify time) failing which BHEL reserves the right to impose the specified penalty and/or terminate the contract without assigning any reason whatsoever. In such an event, no damages will be payable for short closure of the contract.
2. Without prejudice to the aforesaid clause, BHEL reserves its right to terminate the contract without assigning any reason thereof by giving 30 days' notice in writing to the contractor.
3. The cancellation of contract may be either for whole or part of the contract at BHEL's option. In the event of termination of contract in whole or part BHEL may procure upon such terms and in such manner as deemed appropriate, supplies or services similar to those so terminated and the contractor shall be liable to BHEL for any excess costs for such similar supplies or services provided that the contractor shall continue the performance of this contract to the extent not terminated under the provisions of this clause.

ARBITRATION AND LAW:

All disputes arising in connection with the contract shall be settled by mutual consultation. If no agreement is reached the dispute shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules made there under. The dispute shall be referred for arbitration to any arbitrator to be appointed by the Head of the Unit. The award of the arbitrator shall be final and binding on both the Parties. The venue of the Arbitration shall be BHOPAL in India. The Award to be given by the Arbitration shall be a speaking award. All questions, disputes, differences arising under, out of or in connection with this contract shall be to the exclusive jurisdiction of BHOPAL Courts.

FACILITIES ,TOOLS AND EQUIPMENTS:

Contractor shall provide 2 set of uniform (shirt and trouser)/ Overall, Helmet and safety shoes to his employees distinct from BHEL employees. The contractor shall bring tools and tackles to carry out the job.

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PRICE SCHEDULE

NIT No STM/ WC/PAINT/2022-23/01

Tender opening date:26/10/2022

Sub: Works Contract for Painting operation and surface preparation for painting in STM DIVISION, Block 6

Description of work	Painting work of 53941 Sq Mtr
Quoted Rate per Sq. Mtr. in Figure (INR)	
Rate per Sq. Mtr.in words (INR)	

Total value for 53941 Sq. Mtr in Rs - (In figure) -

(In words) -

Note:-

1. Tax if applicable shall be paid extra. Any new tax introduced in future shall be considered as applicable.
2. Rates will be firm throughout the contract period.
3. If, in the price structure quoted, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless In the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.
4. If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected.
5. If there is discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject for (3) and (4).
6. If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bidder is liable to be ignored.

(a)If, in the price structure quoted for the required goods/ services/ works, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.





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- (b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- (c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (a) and (b) above.
- (d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.
7. In case of 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 bidder happens to occupy L-1 status even after soliciting discounts, the L-1 bidder shall be decided by a toss/draw of lots, in the presence of respective L-1 bidder(s) or their representatives. Ranking will be done accordingly. BHEL's decision in such situations shall be final and binding.
8. Bid should be free from correction, overwriting, using corrective fluid etc. Any interlineation, cutting, erasure or overwriting shall be valid only if they are attested under full signature(s) of person(s) signing the bid else the bid shall be liable for rejection. All over writing, cutting etc. will be numbered by bid opening officials and announced during the bid opening.
9. The bidder shall follow BHEL norms to pay their workers through EFT only.
10. Price shall be quoted by bidders excluding Bonus. Bonus shall be payable as per Payment of Bonus Act 1965, on actual basis for the contract period on submission of proof of payment with the last bill of the contract and shall be restricted to the amount of Rs 0.64/ Sq Mtr as applicable. Instant arrangement nowhere intends to affix responsibility of payment of bonus on BHEL

Name and signature of the Bidder
(seal)

ENCLOSED: General terms and conditions (8 pages)

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**MODEL CONCILIATION CLAUSE FOR CONDUCTING CONCILIATION PROCEEDINGS UNDER
THE BHEL CONCILIATION SCHEME, 2018**

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

Notes:

1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.
2. Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in Annexure-IV to this GCC.

The Annexure IV together with it's appendices will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these GCC.

**ANNEXURE TO MODEL CONCILIATION CLAUSE FOR CONDUCT OF CONCILIATION UNDER
THE BHEL CONCILIATION SCHEME, 2018**

BRIEF PROCEDURE FOR CONDUCT OF CONCILIATION PROCEEDINGS

- 1) The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided herein.
- 2) The party desirous of resorting to Conciliation shall send an invitation/notice in writing to the other party to conciliate specifying all points of Disputes with details of the amount claimed. The party concerned shall not raise any new issue thereafter. Parties shall also not claim any interest on claims/counterclaims from the date of notice invoking Conciliation till the conclusion of the Conciliation proceedings.
- 3) The party receiving the invitation/notice for Conciliation shall within 30 days of receipt of the notice of Conciliation intimate its consent for Conciliation along with its counter-claims, if any.
- 4) The Conciliation in a matter involving claim or counter-claim (whichever is higher) up to Rs 5 crores shall be carried out by sole Conciliator nominated by BHEL while in a matter involving claim or counter-claim (whichever is higher) of more than Rs 5 crores Conciliation shall be carried out by 3 Conciliators nominated by BHEL.





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- 5) The Parties shall be represented by only their duly authorized in-house executives/officers and neither Party shall be represented by a Lawyer.
- 6) The first meeting of the IEC shall be convened by the IEC by sending appropriate communication/notice to both the parties as soon as possible but not later than 30 days from the date of his/their appointment. The hearings in the Conciliation proceeding shall ordinarily be concluded within two (2) months and, in exceptional cases where parties have expressed willingness to settle the matter or there exists possibility of settlement in the matter, the proceedings may be extended by the IEC by a maximum of further 2 months with the consent of the Parties subject to cogent reasons being recorded in writing.
- 7) The IEC shall thereafter formulate recommendations for settlement of the Disputes supported by reasons at the earliest but in any case within 15 days from the date of conclusion of the last hearing. The recommendations so formulated along with the reasons shall be furnished by the IEC to both the Parties at the earliest but in any case within 1 month from the date of conclusion of the last hearing.
- 8) Response/modifications/suggestions of the Parties on the recommendations of the IEC are to be submitted to the IEC within time limit stipulated by the IEC but not more than 15 days from the date of receipt of the recommendations from the IEC.
- 9) In the event, upon consideration, further review of the recommendations is considered necessary, whether by BHEL or by the other Party, then, the matter can be remitted back to the IEC with request to reconsider the same in light of the issues projected by either/both the Parties and to submit its recommendations thereon within the following 15 days from the date of remitting of the case by either of the Parties.
- 10) Upon the recommendations by the Parties, with or without modifications, as considered necessary, the IEC shall be called upon to draw up the Draft Settlement Agreement in terms of the recommendations.
- 11) When a consensus can be arrived at between the parties only in regard to any one or some of the issues referred for Conciliation the draft Settlement Agreement shall be accordingly formulated in regard to the said Issue(s), and the said Settlement Agreement, if signed, by the parties, shall be valid only for the said issues. As regards the balance issues not settled, the parties may seek to resolve them further as per terms and conditions provided in the contract.
- 12) In case no settlement can be reached between the parties, the IEC shall by a written declaration, pronounce that the Conciliation between the parties has failed and is accordingly terminated.
- 13) Unless the Conciliation proceedings are terminated in terms of para 22 (b), (c) & (d) herein below, the IEC shall forward his/its recommendations as to possible terms of settlement within one (1) month from the date of last hearing. The date of first hearing of Conciliation shall be the starting date for calculating the period of 2 months.
- 14) In case of 3 members IEC, 2 members of IEC present will constitute a valid quorum for IEC and meeting can take place to proceed in the matter after seeking consent from the member who is not available. If necessary, videoconferencing may be arranged for facilitating participation of the members. However, the IEC recommendations will be signed by all members. Where there



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- is more than one (1) Conciliator, as a general rule they shall act jointly. In the event of differences between the Members of IEC, the decision/recommendations of the majority of the Members of IEC shall prevail and be construed as the recommendation of the IEC.
- 15)** The Draft Settlement Agreement prepared by the IEC in terms of the consensus arrived at during the Conciliation proceedings between the Parties shall be given by the IEC to both the parties for putting up for approval of their respective Competent Authority.
- 16)** Before submitting the draft settlement agreement to BHEL's Competent Authority viz. the Board Level Committee on Alternative Dispute Resolution (BLCADR) for approval, concurrence of the other party's Competent Authority to the draft settlement agreement shall be obtained by the other party and informed to BHEL within 15 days of receipt of the final draft settlement agreement by it. Upon approval by the Competent Authority, the Settlement Agreement would thereafter be signed by the authorized representatives of both the Parties and authenticated by the members of the IEC.
- 17)** In case the Draft Settlement Agreement is rejected by the Competent Authority of BHEL or the other Party, the Conciliation proceedings would stand terminated.
- 18)** A Settlement Agreement shall contain a statement to the effect that each of the person(s) signing thereto (i) is fully authorized by the respective Party(ies) he/she represents, (ii) has fully understood the contents of the same and (iii) is signing on the same out of complete freewill and consent, without any pressure, undue influence.
- 19)** The Settlement Agreement shall thereafter have the same legal status and effect as an arbitration award on agreed terms on the substance of the dispute rendered by an arbitral tribunal passed under section 30 of the Arbitration and Conciliation Act, 1996.
- 20)** Acceptance of the Draft Settlement Agreement/recommendations of the Conciliator and/or signing of the Settlement Agreement by BHEL shall however, be subject to withdrawal/closure of any arbitral and/or judicial proceedings initiated by the concerned Party in regard to such settled issues.
- 21)** Unless otherwise provided for in the agreement, contract or the Memorandum of Understanding, as the case may be, in the event of likelihood of prolonged absence of the Conciliator or any member of IEC, for any reason/incapacity, the Competent Authority/Head of Unit/Division/Region/Business Group of BHEL may substitute the Conciliator or such member at any stage of the proceedings. Upon appointment of the substitute Conciliator(s), such reconstituted IEC may, with the consent of the Parties, proceed with further Conciliation into the matter either de-novo or from the stage already reached by the previous IEC before the substitution.
- 22)** The proceedings of Conciliation under this Scheme may be terminated as follows:
- On the date of signing of the Settlement agreement by the Parties; or,
 - By a written declaration of the IEC, after consultation with the parties, to the effect that further efforts at conciliation are no longer justified, on the date of the declaration; or,
 - By a written declaration of the Parties addressed to the IEC to the effect that the Conciliation proceedings are terminated, on the date of the declaration; or,

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d. By a written declaration of a Party to the other Party and the IEC, if appointed, to the effect that the Conciliation proceedings are terminated, on the date of the declaration.

e. On rejection of the Draft Settlement Agreement by the Competent Authority of BHEL or the other Party.

The Conciliator(s) shall be entitled to following fees and facilities:

S. No	Particulars	Amount
1	Sitting fees	Each Member shall be paid a Lump Sum fee of Rs 75,000/- for the whole case payable in terms of paragraph No. 27 herein below.
2	Towards drafting of settlement agreement	n cases involving claim and/or counter-claim of up to Rs 5crores. Rs 50,000/- (Sole Conciliator) . In cases involving claim and/or counter-claim of exceeding Rs 5 crores but less than Rs 10 crores. Rs 75,000 (per Conciliator) In cases involving claim and/or counter-claim of more than Rs 10 crores. Rs 1,00,000/- (per Conciliator) Note: The aforesaid fees for the drafting of the Settlement Agreement shall be paid on Signing of the Settlement Agreement after approval of the Competent Authority or Rejection of the proposed Settlement Agreement by the Competent Authority of BHEL.
3	Secretarial expenses	Rs 10,000/- (one time) for the whole case for Conciliation by a Sole Member IEC. Where Conciliation is by multi member Conciliators – Rs 30,000/- (one time)- to be paid to the IEC
4	Travel and transportation and stay at outstation i) Retired Senior	As per entitlement of the equivalent officer (pay scale wise) in BHEL.

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	Officials of other Public Sector Undertakings (pay scale wise equivalent to or more than E-8 level of BHEL)	
	Others	As per the extant entitlement of whole time Functional Directors in BHEL. Ordinarily, the IEC Member(s) would be entitled to travel by air Economy Class.
5	Venue for meeting	Unless otherwise agreed in the agreement, contract or the Memorandum of Understanding, as the case may be, the venue/seat of proceedings shall be the location of the concerned Unit / Division / Region / Business Group of BHEL. Without prejudice to the seat/venue of the Conciliation being at the location of concerned BHEL Unit / Division / Region / Business Group, the IEC after consulting the Parties may decide to hold the proceedings at any other place/venue to facilitate the proceedings. Unless, Parties agree to conduct Conciliation at BHEL premises, the venue is to be arranged by either Party alternately.

- 23) The parties will bear their own costs including cost of presenting their cases/evidence/witness(es)/expert(s) on their behalf. The parties agree to rely upon documentary evidence in support of their claims and not to bring any oral evidence in IEC proceedings.
- 24) If any witness(es) or expert(s) is/are, with the consent of the parties, called upon to appear at the instance of the IEC in connection with the matter, then, the costs towards such witness(es)/expert(s) shall be determined by the IEC with the consent of the Parties and the cost so determined shall be borne equally by the Parties.
- 25) The other expenditures/costs in connection with the Conciliation proceedings as well as the IEC's fees and expenses shall be shared by the Parties equally.
- 26) Out of the lump sum fees of Rs 75,000/- for Sitting Fees, 50% shall be payable after the first meeting of the IEC and the remaining 50% of the Sitting Fees shall be payable only after termination of the conciliation proceedings in terms of para 22 hereinabove.
- 27) The travelling, transportation and stay at outstation shall be arranged by concerned Unit as per entitlements as per Serial No. 3 of the Table at para 23 above, and in case such arrangements are not made by the BHEL Unit, the same shall be reimbursed to the IEC on actuals limited to their entitlement as per Serial No. 4 of the Table at Para 23 above against supporting





documents. The IEC Member(s) shall submit necessary invoice for claiming the fees/reimbursements.

- 28) The Parties shall keep confidential all matters relating to the conciliation proceedings. Confidentiality shall extend also to the settlement agreement, except where its disclosure is necessary for purposes of its implementation and enforcement or as required by or under a law or as per directions of a Court/Governmental authority/ regulatory body, as the case may be.
- 29) The Parties shall not rely upon or introduce as evidence in any further arbitral or judicial proceedings, whether or not such proceedings relate to the Disputes that is the subject of the Conciliation proceedings:
- a. Views expressed or suggestions made by the other party in respect of a possible settlement of the Disputes;
 - b. admissions made by the other party in the course of the Conciliator proceedings;
 - c. proposals made by the Conciliator;
 - d. The fact that the other Party had indicated his willingness to accept a proposal for settlement made by the Conciliator.
- 30) The Parties shall not present the Conciliator(s) as witness in any Alternative Dispute Resolution or Judicial proceedings in respect of a Disputes that is/was the subject of that particular Conciliation proceeding.
- 31) None of the Conciliators shall act as an arbitrator or as a representative or counsel of a Party in any arbitral or judicial proceeding in respect of a Disputes that is/was the subject of that particular Conciliation proceeding.
- 32) The Parties shall not initiate, during the Conciliation proceedings, any arbitral or judicial proceedings in respect of a Disputes that is the subject matter of the Conciliation proceedings except that a Party may initiate arbitral or judicial proceedings where, in his opinion, such proceedings are necessary for preserving his rights including for preventing expiry of period of limitation. Unless terminated as per the provisions of this Scheme, the Conciliation proceedings shall continue notwithstanding the commencement of the arbitral or judicial proceedings and the arbitral or judicial proceedings shall be primarily for the purpose of preserving rights including preventing expiry of period of limitation.
- 33) The official language of Conciliation proceedings under this Scheme shall be English unless the Parties agree to some other language.

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Format 2 to BHEL Conciliation Scheme, 2018

FORMAT FOR SEEKING CONSENT FOR REFERRING THE DISPUTES TO CONCILIATION THROUGH IEC

To,
M/s. (Stakeholder's name)

Sub: Resolution of the Disputes through conciliation by Independent Expert Committee (IEC).

Ref: Contract No/MoU/Agreement/LOI/LOA& date _____.

Sir,

With reference to above referred Contract/MoU/Agreement/LOI/LOA, you have raised certain Disputes/claims. Vide your letter dated____ you have requested BHEL to refer the Disputes/claims to IEC for Conciliation.

We are enclosing herewith Format (3) for giving consent and the terms and conditions of BHEL Conciliation Scheme, 2018 governing conciliation through IEC. You are requested to give your unconditional consent to the said terms and conditions of the Scheme by returning the same duly sealed and signed on each page. On receipt of your consent, matter will be put to the Competent Authority for consideration and decision.

Please note that BHEL has also certain claims against you (if applicable). BHEL reserves its right to agree or not to agree conciliation of the said disputes through BHEL and this letter is being issued without prejudice to BHEL's rights and contentions available under the contract and law.

Yours faithfully,

Representative of BHEL





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Format 3 to BHEL Conciliation Scheme, 2018

**FORMAT FOR GIVING CONSENT BY CONTRACTOR/VENDOR/CUSTOMER/COLLABORATOR/
CONSORTIUM PARTNERS FOR REFERRING THE DISPUTES TO CONCILIATION THROUGH IEC**

To,
BHEL

.....

Sub: Resolution of Disputes through Conciliation by Independent Expert Committee (IEC).

Ref: Contract/MoU/Agreement/LOI/LOA No & date _____

With reference to above referred contract, our following bills/invoices/claims submitted to BHEL are still unpaid giving rise to Disputes:

S. No.	Claim Description	Bill submitted to BHEL (no. and date)	Amount of the bill/claim	Amount received from BHEL	Outstanding Amount

Accordingly we request you to kindly refer the Disputes in respect of above claims to IEC for Conciliation.

We hereby agree and give our unconditional consent to the terms and conditions of BHEL Conciliation Scheme, 2018 governing conciliation through IEC. We have signed the same on each page and enclosed it for your consideration.

Yours faithfully,
(Signature with stamp)

Authorized Representative of Contractor Name, with designation Date

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Format 5 to BHEL Conciliation Scheme, 2018

STATEMENT OF CLAIMS/COUNTER CLAIMS TO BE SUBMITTED TO THE IEC BY BOTH THE PARTIES

1. Chronology of the Disputes
2. Brief of the Contract/MoU/Agreement/LOI/LOA
3. Brief history of the Disputes:
4. Issues:
5. Details of Clam(s)/Counter Claim(s):

S. No.	Description of claim(s)/Counter Claim	Amount (in INR)Or currency applicable in the contract	Relevant contract clause

6. Basis/Ground of claim(s)/counter claim(s) (along with relevant clause of contract)

Note– The Statement of Claims/Counter Claims may ideally be restricted to maximum limit of 20 pages. Relevant documents may be compiled and submitted along with the statement of Claims/Counter Claims. The statement of Claims/Counter Claims is to be submitted to all IEC members and to the other party by post as well as by email





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Annexure-I

**INSTRUCTIONS TO CONTRACTOR FOR STATUTORY COMPLIANCES FOR WORKS
CONTRACT**

1.0 Statutory registrations and clearances:

Contractor shall commence the work only after obtaining valid Labour License, independent Provident fund no., ESI Registration no., Income tax no. and Clearance Certificate in respect of Provident Fund, ESI and Income Tax from respective enforcement authorities

2.0 Appointment and termination of workers by contractor

2.1 Contractor shall make appointment of his Employees only for a specific period and same shall be recorded in employment card. Appointment letter should clearly state that the services shall stand terminated on expiry of contract period or completion of the work.

2.2 Contractor shall have the sole discretion to decide on employing, rewarding or terminating the services etc. of his employees. However, his employees must possess such qualifications, experience, age requirement and medical and physical standards as required for the work awarded to the contractor.

2.3 In case of termination of services of any employee of contractor, the contractor will ensure that wage payment and other dues to his employee is made within 48 hours of termination of services of such employee. While termination of the services of any of his employee, the contractor will discharge all formalities as per the Industrial Dispute Act such as payment of retrenchment compensation and gratuity as due and admissible.

3.0 Attendance Card Contractor has to provide attendance card to his employee who will obtain endorsement of time of arrival at the work place and time of leaving the work place. The contractor shall maintain Attendance card which will be retained by his employee and will be handed over to the contractor after the end of each wage month. Identification card

3.1 Contractor shall provide to each of his employee an identification card which shall have his photograph verified by contractor, his name, place of work and name of the contractor.

4.0 Statutory obligations

4.1. Contractor shall engage only adult workers who have attained the age of 18 years and female workers shall not be employed between 7 Pm to 6 Am on all days including Sundays and Holidays.

4.2. Contractor shall observe local laws. As far as possible unskilled workers shall be engaged from the local areas only in which work is being executed.

4.3 Contractor shall not employ any inter-state migrant workmen as defined in the Inter-State Migrant Workmen Act in the establishment except by prior permission of the Principal Employer.



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4.4 Contractor shall observe Provisions of the Factories Act in respect of working hours, holidays, rest intervals, leave and overtime to his employee. No work shall be done on second/third shift, overtime, Sundays or on other declared holidays without written permission.

4.5 In case a contractor employs women as his employee, he will discharge his obligation under law in respect of such women workers such as prohibition of engaging them during night-hours, prohibition of employing them for more than 9 hours per day, provision of creche facility, grant of maternity leave as per rules etc. **4.6.** Payment of bonus under the Payment of Bonus Act, Payment of gratuity under the payment of Gratuity Act, will be the sole responsibility of the contractor.

5.0 PF & ESI Contribution & Returns:

5.1 Contractor shall remit Provident fund contribution of employee's together with Employer's within 15 days from the date of disbursement of wages to his employee. Monthly and annual returns in 3A & 6A prescribed forms should be submitted to the RPFC office, Bhopal. Present rate of employer share of PF is 13.61% and employee share is 12%.

5.2 Contractor shall remit ESI contributions of employee's together with employer's within 21 days of the last day of the calendar month in which the contribution falls due and shall send a return of contribution in Form 6 before 12th May and 12th November of every year along with receipted challans to ESI office. Present rate of employer share is ESI 4.75% and employee is 1.75%

5.3 Contractor shall submit a copy of latest PF& ESI returns and inspection reports from statutory authorities along with a copy of challans for having deposited PF & ESI contributions every month.

5.4. Contractor shall submit following Certificate for each contract separately. " It is certified that PF challans of the amount ----- pertains to my workers whose names are appearing in the wage sheet of the month ----- and these workers are engaged in ----- (type of work) against work order no. ----- in ----- (name of department). Signature of Contractor Note : - Similar certificate shall be submitted for ESI also.

5.5 Contractor shall fully comply all other formalities as per the PF & ESI statutory provisions and submit a copy of the same for replying to statutory authorities in case of any complaints.

6.0 Contribution to M.P. Welfare Board:

6.1 Contractor should ensure payment of contribution as per section 9 of "The M.P. ShramKalyanNidhiAdhiniyam 1982. Both employee's contribution and employer's contribution should be paid every year before 15th day of July and 15th day of January.



6.2 Presently, if the name of employee stands on the register of an establishment on 30th June and 31st December respectively, the amount of contribution payable every six month by every employee shall be ONE RUPEES only and by an employer shall be THREE RUPEES payable every six months. The contribution payable by employer every six month shall not be less than Rs. 150/-

7.0 Medical care in case of accident:

7.1 It is the responsibility of contractor to undertake necessary care and make arrangement for transportation and the treatment of his employee at ESI Hospital. Medical treatment in emergency cases on written request of contractor shall be done in Kasturba Hospital for which the charges should be deposited in advance or BHEL is authorized to deduct the medical expenses from the bills of the Contractor. BHEL will have the right to deduct the medical expenses from the bills of the contractor.

Contractor should assist and guide his employees for claiming lawful benefits from ESI.

8.0 Supervision:

Contractor shall employ adequate number of competent and qualified supervisors to supervise and control his employee at the work spot during execution of work for effective supervision . They will also identify their employee and regulate entry at gate at the time of entering and leaving the factory. Name and address of the Supervisor shall be submitted to the concerned department by the contractor.

9.0 Payment of wages:

9.1 Payment shall be made by the contractor to his employees as per their category & nature of work which shall not be less than the rates declared from time to time under Minimum Wages Act by Govt. of M.P.

9.2 Over and above the daily wage rate, payment shall be made for leave with wages.

9.3 Contractor shall be responsible for making payment of wages before expiry of 7 days from the last day of wage period and to ensure disbursement of wages in the presence of the authorized representative of contract operating division who shall record under his signature at the end of entries in the Register of wages in the following form

" Certified that the amount shown in column no. has been paid to the workers concerned in my presence on date at time.....".

Signature of representative

9.4 Contractor shall distribute wage slip to his employee one day before the last day of the month.

9.5 Contractor shall furnish a copy of the Wage Bills after disbursement of wage to his employee duly witnessed by the nominated representative of the contract operating division. The contractor must note that this copy will be used by BHEL to make payment of wages for the subsequent month in the event of failure on the part of contractor to make payment of wage within the prescribed period. If payment of wage through this method in the absence of any

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other available document results in excess payment than what is due and admissible to the employee of the contractor, the responsibility for such excess payment will be that of the contractor.

9.6 Payment shall be made by the contractor to his employees as per their category & nature of work, which shall not be less than the rates declared by CLC, BHEL, Bhopal from time to time.

10.0 Safety and disciplinary action:

Contractor shall ensure that his employee do not indulge in any unsafe or hazardous practices. They use safety equipment such as safety belts, safety shoes, goggles, helmet and masks where use of such equipment is required in day-to-day operations. All such safety gadgets will be provided by the contractor failing which the contract operating division will provide safety equipment to such employee of the contractor at the cost of the contractor to be recovered from his bills. Contractor shall fully indemnify BHEL against any claim for damages for injury to person or property resulting from such accidents.

10.1 Contractor shall take prompt disciplinary action as per "Model Standing Orders" on the advise of Contracting officer .

11.0 Records & information to be furnished by contractor:

11.1 Contractor shall maintain neatly, completely and legibly registers, records, reports and returns for inspection by various authorities at short notice.

11.2 Contractor shall submit the details of work awarded to him by other departments indicating work order No., nature of work and maximum number of workers employed etc.

11.3 Contractor shall provide information as required in respect of all of his employees employed by him to enable the Contract operating division to monitor compliance of P.F./ESI and also to enable him to furnish information to Ministry and Labourdeptt. as may be required.

11.4 Contractor shall provide full particulars of each employee employed by him before start of the work and from time to time. He will also endorse a copy of returns furnished by him to the Labour Department under the Contract Labour(Regulation and Abolition) Act 1970 .

12.0 Security deposit & Indemnity Bond:

Security Deposit means the security provided by the Contractor towards fulfilment of any Obligations in terms of the provisions of the contract.

12.1 The total amount of Security Deposit will be 3% of the contract value. EMD of the successful

tenderer shall be converted and adjusted towards the required amount of Security Deposit.

12.2 Modes of deposit:

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

i) Cash (as permissible under the extant Income Tax Act)





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- ii) Local cheques of Scheduled Banks (subject to realization)/ Pay Order/ Demand Draft/ Electronic Fund Transfer in favor 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)
- (Note: BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith)

12.3 Collection of Security:

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

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.

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.

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

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

12.5 The Security Deposit shall not carry any interest.

12.6 Contractor shall make Security Deposit to use this security amount to discharge any legal obligations otherwise cast on the contractor under the Contract Labour (Regulations and Abolition) Act, The Factories Act, Workmen Compensation Act, The Minimum Wages Act, The Payment of Wages Act, The Interstate Migrant Workmen Act or any other law for the time being in force. Security money shall remain upto 3 months after termination/ completion of contract. No interest shall be payable on such Security deposit.

[Handwritten signature]
TUSHAR MANDLE
STEAM TURBINE MANUFACTURING DIVISION
BHEL, BHOPAL



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12.7 Notwithstanding the above, in case of any financial loss incurred by company on account of contravention of Provident fund, ESI, Minimum Wages Act or any other act, rule and regulations the contractor shall be responsible to make good the loss incurred by the company.

12.8 The contractor will not engage any sub-contractor without a specific permission in writing and where so permitted he will furnish an Indemnity Bond. Indemnifying the BHEL from any actions of his sub-contractor(s) which may be involving extra financial liabilities.

13.0 Abandoning the work:

13.1 In the event of contractor abandoning the work or BHEL revoking the contract, BHEL shall deserve the right to get the unfinished work completed at the contractor's risk and cost.

13.2 If the work is not executed or partly executed within the agreed execution period period, BHEL reserves the right to cancel the order and get the work executed from the alternate source(s) at the Risk and Cost of the Contractor. In such an event, it shall be obligatory on the part of contractor to make good any loss suffered by BHEL

14.0 Termination of Contract:

Contract awarded is liable for termination for any contravention of statutory provisions or any other reasons without assigning any explanation or notice to the contractor.

15.0 Compliance of Statutory provisions:

Contractor shall fully comply provisions of the following enactments and other enactments as applicable for such contracts.

Contract Labour (R&A) Act 1970 and rules 1971.

Payment of Wages Act.

Minimum Wages act 1948, M.P. Rules 1958

Employees State Insurance Act 1948, Rules and regulations 1950

Employees Provident Fund Act 1952 and Pension Scheme 1995

Workmen's Compensation Act

1923 M.P. Industrial Relations Act 1960.

Factory Act 1948

Maternity Benefit Act 1961

Equal Emolument Act 1976

M.P.ShramKalyanNidhiAdhiniyam 1982

Payment of Bonus Act 1963

Payment of Gratuity Act 1971

Inter State Migrant Act

Signature of Issuing Officer _____

Date 11/10/22


तुषार मांडले / TUSHAR MANDLE
उप प्रबंधक / Dy. Manager
एस. टी. एम. विभाग / STM Division
बी.एच.ई.एल., भोपाल / B.H.E.L., BHOPAL

Signature of Contractor _____

Date. _____



Annexure II

BHEL TERMS & CONDITIONS HEALTH, SAFETY & ENVIRONMENT

1) Rules To Be Observed, (while inside BHEL premises) :

- a) BHEL is a no-smoking zone. This rule shall be observed by all workmen at all times while inside BHEL.
- b) Workers shall not indulge in gambling or consumption of liquor while inside BHEL.
- c) No workmen shall enter BHEL in inebriated condition.
- d) Contractor shall not post any worker at a workplace without instructing him of all Safety requirements, Technical requirements and all rules of proper conduct in line with Factories Act and BHEL Rules and regulations.

2) SAFETY :

- a) workman shall be below the age of 18 years on the date of starting work in BHEL.
- b) For any skilled / semi-skilled work, qualification is mentioned in annexure-I.
- c) List of all Personal Protective Equipment which shall be provided by Contractor must be furnished at the time of quoting for tender. In the event where, after award of work order, it is found that Contractor's workmen are working without the required PPEs, BHEL reserves the right to provide the PPEs at the cost of Contractor. The expenses so incurred shall be deducted from the running/final bills of the contractor.
- d) At the time of starting work, the contractor shall submit all PPEs through entries in BHEL Material Gate No-9 for such items as Face Shield, Respirators, Safety Belts, Dungarees, Welding shields etc. For other consumable nature of PPEs such as masks, ear-buds, muffs gloves, inspection at workplace, by BHEL personnel shall confirm whether workmen are provided the PPEs and are using the same.
- e) For such items as Safety shoes, Aprons, Uniform etc which are worn by the workmen on first day of commencement of work, the contractor shall get the signed endorsement from AGM concerned of the department where work is to be started, that workmen have been issued the relevant PPEs by contractor and that the same are being used.
- f) The Signed endorsement of this sheet shall be sent to CLC division at the time of commencement of work.
- g) Failing to furnish this endorsed copy will result in objection for processing the running / final bill, whichever is put up first, for clearing.

3) ENVIRONMENT:

- a) For any Chemicals, Paints or oils etc that the contractor may be required to be brought inside factory, the empty drums, containers etc shall be taken out through gate no-9 under intimation to AGM concerned of the department where work is carried out.
- b) No oil or chemical etc shall be drained in the drains or water pools inside factory.



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4) HEALTH:

As a general rule, no person above age 60 years shall be employed for contract work. However, if a specific skill set necessitates employing of a person above 60 years of age, the contractor shall specify this condition at the time of quoting for a tender. And BHEL reserves the right to allow / permit such a person to work inside BHEL. The necessary condition for this shall be that the contractor shall furnish a certificate of Physical Fitness from a registered Medical doctor of current date mentioning the age of the person to be employed. However, this may be allowed only as an exception due to skill-requirement, and not as a general practice.

5) ROAD SAFETY :

- a) All vehicles brought inside the factory by contractor, shall have valid registration. The drivers or operators as the case may be, shall have valid licenses. The vehicles shall be Road-worthy and Load-worthy as applicable.
- b) Operation of Battery operated trucks (BOT) and Fork-lift trucks inside factory shall be done only by workmen who hold valid licenses for motor vehicles. Maintaining road safety rules inside factory at all times is the prime responsibility of contractor's workmen. Any violation of the same shall be deemed a punishable offence in accordance with road safety rules. Any damage to the property of BHEL by any act of carelessness on road/mishap, shall be recoverable from the Contractor.

6) GENERAL SAFETY ASPECTS :

All Contractor's workmen shall abide by the rules & regulations of BHEL with respect to Safety, Health and Environment while inside BHEL Bhopal factory:

- a) BHEL's HSE policy shall be honored at all times.
- b) PPEs shall be used as required at the work-place.
- c) No unsafe act shall be indulged-in, by the workmen.
- d) Special written permission for working at heights shall be obtained by contractor.
- e) Medical clearances as required for work shall be submitted before start of work.
- f) While working at any machine tool area etc, BOTs, Cranes etc no mobile phone usage is allowed.
- g) No loose clothings like shawls, mufflers, dupatta etc should be worn near machine tools.
- h) Smoking is prohibited at all times inside factory.
- i) No make-shift arrangements shall be made for any engineering shop-floor work.
- j) Compressed air shall not be used for area or personal cleaning/dedusting.
- k) All stipulations of the Factories Act shall be honored and observed by contractor's workmen.

- 7) The following requirements are specific to the Skills, Trades and Situations as per Factories Act 1948. These have to be fulfilled by the contractor for allocating his worker(s) inside BHEL for any**



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work awarded to him, for workers working at/on: (All Factories Act & MP Rules to be fulfilled by contractor for Age, Skill, Training and Instruction for any of the below mentioned equipment, Machinery, Process)

7.1 Revolving Machinery, 7.2 Pressure Vessels, 7.3 Lifting Devices, 7.4 Power Presses, 7.5 Work at heights, 7.6 Any confined space, 7.7 Electrical Equipment 7.8 In the vicinity of other hazardous process/machinery

To be signed by contractor

(as proof of having read & agreed for compliance)

DR. TUSHAR MANDLE / TUSHAR MANDLE
DR. TUSHAR MANDLE / TUSHAR MANDLE
DR. TUSHAR MANDLE / TUSHAR MANDLE
DR. TUSHAR MANDLE / TUSHAR MANDLE
DR. TUSHAR MANDLE / TUSHAR MANDLE



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Annexure III

GST Clause

- 1) Wherever bidders are required to supply services at project site Party has to submit GST registration no. of the State in which project site is located along with copy of registration certificate at the time of submission of Bid. In case the same is not available at the time of submission of bid, the contractor has to give an undertaking that the same will be arranged before award of work order.
- 2) HSN Code/SAC, rate of tax under GST and applicable GST (IGST, CGST/SGST/UTGST) and GSTIN shall be clearly mentioned by the Bidder.
- 3) GST portion of the invoice shall be released only upon:-
 - a) All invoices raised by contractors/vendors must be GST compliant Tax invoices as per GST invoice rules.
 - b) Contractor declaring such invoice in his GSTR-1 or any modified return as notified by government
 - c) Receipt of goods/services and Tax Invoice by BHEL.
 - d) Confirmation of payment of GST thereon by contractor on GSTN portal.
 - e) Contractor has to give an undertaking to BHEL that they have declared invoice in his return and paying GST within timeline prescribed for availing ITC by BHEL. Payment to Contractor for GST portion will be released only after completion of above activity and on availing of ITC by BHEL.
- 4) In case GST credit is delayed/denied to BHEL due to non/delayed receipt of services/goods and /or tax invoice or expiry of the timeline prescribed in GST Law for availing such ITC, or any other reasons not attributable to BHEL, GST amount shall be recoverable from the contractor along with interest levied/leviable on BHEL.
- 5) **Reverse Charge under GST**

5A: In respect of services, reverse charge liability shall arise at the earliest of date of payment to service provider or 60 days from the date of issue of invoice by service provider. Contractor has to submit bill for payment within 30days from the date of invoice. Any interest or penalty implications attributable to the contractor shall be recovered from them.

5B: Any GST liability arising on BHEL under reverse charge before actual receipt of goods and/or invoice thereof would be subject to recovery of interest leviable for the period between the date of such liability and actual date of eligibility of ITC based on receipt of goods, receipt of invoices and other condition specified in GST Law.
- 6) **Tax Deduction at source:**

As per extant provisions of TDS under both Income Tax Act and GST Law will be deducted from contractor/supplier bills.

Signature of issuing officer
Date

Signature of Contractor Date


11/10/22

तुषार मांडले / TUSHAR MANDLE
उप प्रबंधक / Dy. Manager
एस. टी. एम. विभाग / STM Division
बी.एच.ई.एल., भोपाल / B.H.E.L., BHOPAL