

PROCEDURE FOR "JOB WORKS"	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 18 of 47

Annexure-III (Contd.)

MODEL FORMAT

AGREEMENT

THIS AGREEMENT made this _____ day of _____ Two Thousand five -----
between :

M/s. _____, a Society Registered under Societies
Registration Act/firm/company , having its Registered Office at
_____represented by its
Secretary/Partner/Proprietor, hereinafter referred to as "Contractor" (which
expression shall unless repugnant to the context or meaning thereof be deemed to
mean and include its successors and permitted assigns) of the first part.

And

Bharat Heavy Electricals Limited, a Company incorporated under the Companies
Act 1956, and having its registered office at BHEL House, Siri Fort, New Delhi-
110049 through its unit at Ramachandrapuram, Hyderabad – 502 032 hereinafter
referred to as "BHEL", (which expression shall, unless repugnant to the context or
meaning thereof be deemed to mean and include its successors and permitted
assigns) of the Second part.

WHEREAS

A. The BHEL desires to engage a contractor to provide work (Specify the
work)..... in different departments in order to cope up with the additional work
in addition to the capacity planed from time to time as and when required.

B. The Contractor which is a specialised agency providing work (Specify the
work) in different establishments has agreed to undertake the
aforesaid work on job contract basis.

NOW THEREFORE IT IS AGREED BETWEEN THE PARTIES:

The terms and conditions of this agreement are stipulated in Annexures A,B & C
which forms part of this agreement.

IN WITNESS WHEREOF the parties hereto through their authorised representatives
have signed these presents on the day, month and year mentioned above.

For and on behalf of Contractor
(Authorised Signatory)
(affix seal of the Contractor)

(Name & Designation)

WITNESS: 1.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 19 of 47

1. Signature
2. Designation
3. Address

For and on behalf of
Bharat Heavy Electricals Limited
R.C.Puram, Hyderabad Unit

(Authorised Signatory)

(affix seal of the Unit)

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 20 of 47

Annexure-III (Contd.)

ANNEXURE-A

CONTRACTOR'S OBLIGATIONS

I) CONTRACTUAL

- a) 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.
- b) Contractor shall supervise the work allotted to him and to be carried out by his employees.
- c) 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.
- d) Contractor to maintain appropriate records of his employees deployed to carry out the job(s).
- e) Contractor to provide safety appliances and safety shoes to his employees. The contractor shall be responsible for enforcing all safety regulations as applicable.
- f) The contractor has to provide a distinct uniform different from BHEL employees. The Uniform should have logo of the Contractors firm / company. The uniform shall be kept in neat, tidy and wearable condition. Wherever necessary, the Cap shall be integral part of the uniform.
- g) Contractor to ensure that all precautions are taken for safety of his employees and equipments.
- h) In the event of termination of contract for any reason whatsoever, the contractor shall withdraw all his employees from the establishment of BHEL. In case contractor decides to terminate services of his employees, he should settle all terminal dues including retrenchment compensation.
- i) Contractor shall provide to his employees all tools, tackles and equipments and maintain the same to carry out the job under the contract at his cost and if necessary contractor may take insurance policy of his men, material, equipments and tools and tackles.
- j) Contractor shall provide safety appliances and maintain the same at his own cost which may be required under the statute or otherwise.
- k) Contractor shall provide material at his cost as mentioned in the contract to his employees for carrying out the job.

II) TOWARDS STATUTORY LIABILITY

- a) All statutory requirements under Minimum Wages Act, 1948, Payment of Wages Act, 1936, Workmen Compensation Act. 1923, EPF & MP Act, 1952, Payment of Gratuity Act, 1972. ESI Act, 1948. The Contract Labour (R&A) Act, 1970, Payment of Bonus Act, 1965, Income Tax Act, Service Tax Act and all other applicable Acts shall be complied with by the contractor.
- b) Contractor shall comply with all statutory requirements, rules, regulations, notifications in relation to employment of his employees issued from time by the concerned authorities.
- c) Contractor shall ensure payment of statutory prescribed minimum wages as applicable from time to time in the presence of authorized representative of BHEL and maintain proper records of their timely disbursement. These records need to be preserved for a period of at least 3 years and should be made available even after the contract is over for any verification by the statutory authorities / BHEL authorities.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 21 of 47

Annexure-III (Contd.)

- d) Contractor to provide PF pass book to his employees and ensure payment of PF, EDLI, pension dues under EPF & MP Act, 1952 to the PRFC.
- e) Contractor shall ensure payment of ESI contribution under ESI Act, 1948 and provide ESI membership No. / card of each employee.
- f) Contractor shall produce proof of deductions as well as remittances of PF, EDLI, Pension, ESI contribution, administrative charges etc. wherever applicable and shall maintain proper records. Contractor to issue wage slips to his employees.
- g) Contractor shall furnish proper returns to the concerned statutory authorities and provide a copy of the same to BHEL.
- h) Contractor shall be solely responsible for non payment / delayed payment of wages / DA, contributions under EPF & MP Act, ESI Act etc.
- i) In case the contractor fails to make payment of wages to his employees or remittance of contribution to the concerned authorities, the security deposit / other dues / running bills under the contract can be utilized by BHEL to discharge the liability of the contractor.
- j) Contractor shall indemnify BHEL against all claims and losses under various Labour Laws, statutes or any civil or criminal law in connection with employees deployed by him.
- k) The liability for any compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
- l) Contractor to obtain insurance cover for his employees / equipment / tools and tackles etc. and take third party risk insurance coverage at his own cost. BHEL shall not be responsible for any loss, damage, and pilferage of property and / or his employees.
- m) Contractor should have independent code numbers / exemptions under EPF & MP Act, 1952 and ESI Act, 1948 and shall cover his employees under the said codes.
- n) Payment of bonus under the payment of Bonus Act, Payment of gratuity under the Gratuity Act, and retrenchment compensation under Act will be the sole responsibility of the contractor.
- o) Over and above the daily wage rate, payment shall be made for leave with wages.
- p) 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.
- q) In case a contractor employs women as employee he will discharge his obligation under law in respect of such women workers such prohibition of engaging them during night-hours, prohibition of employing them for more than 9 hours per day, provision of crèche facility, grant of maternity leave as per rules etc.
- r) Contractor shall be responsible for making payment of wages before expiry of 7days from the last day of wage period and to ensure disbursement of wages in the presence of the authorities representative of contract operating division who shall record under his signature at the end of entries in the Register of wages.
- s) Contractor to obtain license under CL(R&A) Act, 1970.

CONTRACTOR(S)

ACCEPTING AUTHORITY

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 22 of 47

Annexure-III (Contd.)

ANNEXURE-B

GENERAL TERMS & CONDITIONS

1. BHEL shall have the privity of the contract with the contractor only and will give instructions to the contractor or his authorized representative. BHEL will have nothing to do or be concerned with the employment of employees working for the contractor. The relationship between BHEL and the Contractor will be that of independent entities and nothing herein contained will amount to joint venture, partnership or an employer-employee relationship.
2. The contractor shall maintain regular contact with the designated employee(s) of BHEL and will interact on matters relating to the work awarded under this contract.
3. In case the Contractor does not carry out the Contractual / Statutory obligations or the services rendered by him are found to be unsatisfactory, BHEL shall bring the same to his notice and he will be obliged to discharge the obligations and rectify the deficiency / anomaly within three days time failing which, BHEL reserves the right to terminate the contract without assigning any reason whatsoever. In such an event, no damages will be payable for short closure of the contract.
4. The contractor shall deposit an amount of Rs. _____ as security with BHEL in the form of pay order / bank guarantee / FDI in the name of contractor A/c- BHEL duly discharged on the back. Alternatively, the amount of security deposit can be adjusted partly from EMD and balance amount from subsequent bills. This security deposit shall be liable to be returned to the contractor after termination of the contract or at the end of it, subject to deduction on account of company dues, non-deposit of statutory dues etc. No interest shall be payable on the security deposit.
5. The decision of BHEL regarding interpretation of any of terms and conditions set forth in his agreement shall be final and binding on the Contractor.
6. Any matter arising out of or in connection with the agreement shall be under jurisdiction of Sanga Reddy Court.
7. Notwithstanding anything contained in this Agreement, the contract may be terminated by BHEL without assigning any reason thereof by giving a notice of 30 days to the contractor.
8. The contract will commence on _____ date and will remain valid for a period of _____ year(s) till _____ date. The parties reserve the right to extend the contract on mutually agreed terms and conditions.
9. Contractor shall obtain complete bio-data of the labour, employment certificate and Antecedent verification in the prescribed form for each labour and supervisor engaged by him and shall submit the same to the HR Department / IR section through the contract executing officers before commencement of the work.
10. The Entry permits are to be issued to the Contract Labour by Assistant Commandant / CISF (Plant), based on the requisition submitted by Contract Executing Officer and forwarded by Dy. General manager / Personnel.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 23 of 47

Annexure-III

(Contd.)

11. Every contractor shall submit a notice regarding commencement and completion, of work in form – VI A&B [Rule 25 (VIII) & 81 (3)] to HR Department, IR section through his contract executing officer, for forwarding the same to State Labour Department.
12. The contractor shall make himself of his representative available at the work spot everyday during execution of work, for effective supervision.
13. The contractor shall attend to all inspections notified / conducted by the HR Department, Labour Department, P.F. authorities. Factory Inspectors ESI Inspectors, or any other such authorities under the act.
14. Non – compliance of any provisions under the act/ rule/instructions / guidelines shall make the contractor liable for penal action including termination of contract.
15. Contractor shall furnish in a separate letter his place of residence and postal address. The delivery at the above named place or posting in a Post box regularly maintained by the post and telegraph Department or sending letters registered for acknowledgement of any notice, letter or other communication to the contractor. Change in address shall come into force at any time by an instrument executed by the contractor and delivered to the Company official who has signed the contract.
16. The contractor must satisfy himself by personal study and examination of the drawings / specifications furnished and understand thoroughly the scope of proposed work in detail and all conditions affecting the work before entering into the contract. There shall not be at any time dispute / complaint of any misunderstanding with regard to scope of work and interpretation of specifications or any misunderstanding with regard to nature or omission of the work to be done not shall any application for compensation in terms of time and money shall be accepted by company regarding the above.
17. Contractor shall in his absence keep competent agent constantly on the works and any directions or explanations given by the “Contract Signing Officer” or his representative to such agent shall be held to have been given to the contractor himself.
18. Contractor on the advise of company official shall immediately remove any person employed by him, who may in the opinion of the company official is incompetent or misc. conducts himself and such persons shall not be again employed on the works without permission of the company official.
19. The contractor shall erect and maintain at his own cost temporary weather proof sheds at such places approved by the company for keeping materials under cover.
20. The contractor shall give all notices required by the acts regulations , bylaws, legal acts and pay all fees in connection therewith unless and otherwise arranged and decided in writing with the company. He shall also ensure that no attachments are made against materials or work forming part of or for the use of the contractor. In all such cases, contractor shall protect and indemnify the company against any claim or liability arising from or based on the violation of any such laws, ordinances, regulations, orders, decrees or attachments either by himself or by his employees,
21. It shall be contractor’s sole responsibility to protect the public and his employees against accident from any cause and provide required safety equipments and shall indemnify, the company against any claims for damages for injury to the person or property resulting from any such accidents and shall, where the provisions of the workmen’s compensation act apply, take steps to properly insure against any claims thereunder. The contractor shall use proper slings for lifting the jobs, keep the gangways and approach roads clean

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 24 of 47

Annexure-III (Contd.)

22. In the event of any accident in respect of which compensation may become payable under the workmen's compensation act VIII of 1923 whether by the contractor or by the company as principle employer, it shall be lawful for the company to retain out of monies due and payable to the contractor such sum or sums of money as may, in the opinion of the company shall be final in regard to all matter arising in this clause.
23. No work shall be done on Sundays or on other declared holidays of the company without the written permission of the company officer incharge of the work. The contractor shall comply with the provisions of the Factories Act Rules framed thereunder if the same are applicable.
24. The contractor shall keep his work place clean and safe to avoid injuries to men and damage to finished products / equipments.
25. On the occurrence of an accident, which results in the death of any of the workmen employed by the contractor or which is so serious as to be likely to result in the death of any such workmen, the contractor shall within 24 hours of the happening of such an accident intimate in writing to the company official incharge of the work.
26. The contractor shall indemnify the company against all losses or damages sustained by the company resulting directly or indirectly from his failure to give intimation in the manner aforesaid including the penalties or dues if any and become payable by the company, as a consequence of failure, the company to give notice under the workmen's compensation act or otherwise confirm to the provisions of the said act in regard to such accident.
27. The contractor shall ensure adherence to all statutory requirements applicable to BHARAT HEAVY ELECTRICALS LIMITED, RAMACHANDRA PURAM, HYDERABAD-502032.
28. Notwithstanding the clause, in case of any financial loss incurred by the company on account of contravention of the Provident Fund regulations or any regulations of rule touching the same by the contractor, the contractor shall submit an undertaking to indemnify the company to the extent of the loss incurred by the company.
29. The contractor should engage only those labourers who shall be more than 18(eighteen) years of age.
30. The contractor shall not resort to subcontracting under any circumstances. If found subcontracting at a later date, BHEL reserves the right to take whatever action it deems fit, including cancellation of the contract.
31. The contractor shall provide the required safety equipment labours engaged by him.
32. Contractor shall issue “Employment Card” as per statute to all the labour and supervisors covered under the job work contract.
33. The contractor shall be responsible to settle any grievances of the labour deployed by him.
34. Whenever the term “CONTRACTOR” is used, it shall be understood to refer to the particular person, firm or corporation with whom an agreement has been made by the concerned company official for executing the work defined in the concerned agreement and for the purpose of instructions regarding compliance with contract conditions, it shall include the contractor's authorised agents, who are entrusted with the work by contractor.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 25 of 47

Annexure-III (Contd.)

35. The quantities mentioned in the agreement schedule are worked out from the relevant drawings in the company and may not be the actuals required for execution.
36. The company does not expressly or by implication agree that the actual amount of the work to be done shall correspond there with, but reserves the right to increase or decrease the quantity of any class or portion of the work as he deems necessary.
37. All the works shall be carried out in accordance with the directions and to the satisfaction of the company official in accordance with the drawings, specifications and instructions. Supplementing or explaining the same as may from time to time shall be done by the company official.
38. For all modifications, omissions or additions to the approved drawings and specifications, the company shall issue revised plans or written instructions and no modifications, omission or addition shall be made unless at any time before completion of the work.
39. The company shall have the privilege of ordering modifications, omissions, or additions at any time before completion of the work.
40. All materials, articles, and workmanship shall be the best of their respective kinds for the class of work described in the contract specifications and schedule and materials to be obtained by the contractor shall be from sources approved by the company.
41. Sample of materials shall be furnished by the contractor at his expense to the company when called for before execution of any work.
42. The company shall have power to reject at any stage, any work which is considered to be defective in quality of materials of workmanship and shall not be debarred from rejecting wrong material by reasons of having previously passed them in an unworked condition. Any portion of the work or materials rejected or pronounced to be inferior or not in accordance with specifications shall be taken down and removed from the work site at the contractor's expenses.
43. The decision of the company shall be final and binding on the contractor on all technical questions which may arise in the contract with respect to material, workmanship, removal; of improper work, interpretation of the working drawings, specifications, notes, procedures etc.
44. The decision of the “Contract Signing Officer” or any officer deputed by him duly authorised on his behalf, in respect of the rate of progress and the quality of work or material shall be final.
45. Contracts shall be deemed to have included in his tender price of all the plant. Machinery and appliances required for the purpose of all operations connected to secure a satisfactory quality of work within the opinion of the company will ensure the completion of the work within the time specified.
46. If at any time, during the progress of work or any part of it such methods or equipment appear to the company official to be insufficient or inappropriate for ensuring the quality of work required or rate of progress, he may order the contractor to increase their efficiency or to improve their quality of work and the contractor shall comply with such order and on failure of which the company may take such action as it deems it fit to improve the quality of work of the company may take such action as it deems it fit to improve the quality of work or the rate of progress required from the contractor and all such actions taken by the company shall be at the cost and risk of the contractor.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 26 of 47

Annexure-III (Contd.)

47. It is open to the company to lend or supply to the contractor any tools, implement, material and machinery that are needed by the contractor, which in the opinion of the company is essential to improve the quality or progress of work. The contractor shall pay such deposit or charges that may be fixed or determined by the company for any such articles or machinery lent or hired to the contractor.
48. Any electric power required for contractors machinery for the purpose of work shall be supplied by the company at the written request of the contractor at one point subject to the observance of rules and regulations of Electric board / company and charges there on shall be recovered from the contractor.
49. The contractor shall confirm to the regulations and laws of central / state govt. or any local authority and that of the company with whose system the machinery is supposed to be connected.
50. All rubbish as it accumulates shall be removed from the site to the point of disposal as indicated from time to time by the company. If this is not adhered to, the company shall remove the scrap and recover the cost of these operations from the bills of the contractor.
51. Any sum due from the contractor on account of tools and plants, stores, or any other items provided by the company shall be deducted from the respective bill due to him.
52. In case the contractor does not execute the work awarded to him as per the terms and conditions of the agreement, the same shall be got executed by some other contractor and the excess cost incurred shall be recovered from the contractor's security deposit/pending bills.
53. In case of breach of any of the terms and conditions of the contract, a claim shall be lodged under the bank guarantee with the guarantor at the discretion of the competent authority of the company. On successful completion of the contract to the satisfaction of the company, the bank guarantee shall be released after due claim period.
54. In the event of any question or dispute or under this contract, the same shall be referred to a competent Authority in the company for sole arbitration and his decision shall be final and binding on the parties to the contract.
55. In case of any suit or other legal proceeding arising under this contract, the courts at Sangareddy (Medak Dist.) A.P only shall have the Jurisdiction.
56. The company reserves the right to enter into parallel agreement with one or more contractor at their direction.
57. Disputes, grievances between the contractor and his labour, will have to be settled by the contractor only.
58. The labour employed by the contractor, if found in abetting and fellow labour or contractors or any BHEL employee, the same shall be considered as an act of indiscipline. Such labourers shall be removed from the services of the contractor, on the advice of BHEL. Further the contractor shall initiate every necessary action in accordance with the relevant Laws, Rules & Regulations and enactments of State and Central Government.
59. Wherever, BHEL/COMPANY standards are mentioned, copies of which are enclosed shall by strictly followed.

PROCEDURE FOR “JOB WORKS”	OMI-195	Date : 15-03-2010
	Rev.: 03	Page 27 of 47

60. Nothing contained in the contract agreement and its conditions shall be deemed to preclude or render inoperative the service of any notice, letter or other communication upon the contractor personally.
60. The decision of the “Contracting Signing Officer” shall be final and binding on the contractor on all technical questions which may arise touching the contract with respect to the quality of material, workmanship, removal of improper work, interpretation of the working drawings, specifications, notes, procedures etc.
62. 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 Hyderabad 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 Sangareddy Courts.

CONTRACTOR(S)

ACCEPTING AUTHORITY

ANNEXURE - C

BHARAT HEAVY ELECTRICALS LIMITED
RAMACHANDRAPURAM : : HYDERABAD – 32.

(SPECIAL CONDITIONS – SAFETY)

1. The following are a few safety measures suggested while carrying the work. However all the items of work should be carried out in safe working manner taking all precautions.
2. Proper and necessary precautions shall have to be taken wherever the work involves breaking of reinforced cement concrete slab and dismantling of brick work. These items of work will have to be carried in the presence of the Engineer-in-charge.
3. Proper and necessary scaffolding is to be erected wherever dismantling of brick work is carried out at height more than 1.80 M
4. Reinforced cement concrete slab should be dismantled parallel to the main reinforcement, each piece not exceeding 300mm wide. Under no circumstances the supporting wall shall be cut or removed until the supporting slab is demolished.
5. The contractor shall keep supply all safety equipment like safety boots, goggles, helmets and safety belts, to all the workers.
6. The contractor shall keep a supervisor always at work site.

- 1 Power shut down shall be taken before commencement of the work wherever power cables are running.
- 2 Proper and necessary scaffolding and ladders are to be used for carrying out all types of works.

CONTRACTOR ISSUING/ACCEPTING AUTHORITY

Guidelines and statutory payments for submitting tenders for Maintenance Works as per existing instructions.

Daily wage rate is exclusive of Weekly off, Holiday and Leave Wage. Wage rates as on date

U S W : Rs.327.650 per day Inclusive of weekly off.

S S W : Rs.358.30 per day Inclusive of weekly off

S W : Rs.388.42 per day Inclusive of weekly off

i) Leaves and Holidays
+ 11 days paid holidays / per year + 18 paid leaves / per year.

ii) P F and E S I contributions wages
PF @ 13.61 % and ESI @ 4.75 % of basic wages should be contributed by the contractor on above daily wages.

CONTRACTOR

ISSUING/ACCEPTING AUTHORITY