



**Contractual Obligations & Statutory Compliances**

**Subject :-** Annual Maintenance Contract (comprehensive in nature) for storage type water cooler-cum water purifier 80 ltr. & 120 ltr. Capacity, for Two years.

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**1 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 should issue appropriate appointment letters to his employees.
- f) Contractor to provide employment card/ identity card with photograph duly verified and attested by the Contractor to his employees. Contractor to indicate the name of the proprietary/ partnership Firm/ Company, place of work, contract number and duration of validity of card.
- g) Contractor will be responsible for the good conduct of his employees. In case of any misconduct/ misbehavior by any employee, the contractor will replace such employee(s) immediately.
- h) Contractor will ensure that the job is executed through his employees on his rolls and under no circumstances the contractor will deploy any casual employee to carry out the job nor shall sub-contract the job without prior written permission.
- i) Contractor will keep watch on his employees and he will be liable for any pilferage / loss to BHEL due to acts of omission and commission by his employees. Similarly, liability for any compensation to outsiders on account of any act of omission and commission by the employees deployed by the contractor shall lie exclusively with him.
- j) Contractor to provide safety appliances and safety shoes to his employees. The contractor shall be responsible for enforcing all safety regulations as applicable.
- k) 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.
- l) Contractor to ensure that all precautions are taken for safety of his employees and equipments.
- m) 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.
- n) 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, tools and tackles.
- o) Contractor shall provide safety appliances and maintain the same at his own cost, which may be required under the statute of otherwise.
- p) Contractor shall provide material at his cost as mentioned in the contract to his employees for carrying out the job.



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**2 Instruction to Contractor :-**

- 1 Contractor should engage only those workers who are qualified/experienced for the work to be done and for which contract has been awarded.
- 2 Work should be all the time during the execution period to be supervised either by the contractor himself or by qualified authorized supervisor of the contractor
- 3 It is the responsibility of the contractor to ensure safe working of his workers while carrying out the work and should follow all Statutory Safety Precautions and rules. Contractor should provide and ensure use of Safety Belts, Face Shield, Nose & Mouth Masks, Goggles, Glasses, Ear Plug, Welding Shields, Hand Gloves, Safety Shoes etc by his workers for safe working.
- 4 Contractor should engage Skilled Riggers and Slingers for handling and Shifting of Plants & Equipment and other heavy jobs. Proper size of Slings and 'D' Shackles should be used in consultation with BHEL Supervisor/ Engineer. In no case under capacity or rejected or damaged Slings/ 'D' Shackles should be used.
- 5 Special precautions should be taken while working at height or handling of heavy jobs. Contractor should ensure that none of his worker works at a height without using Safety Belts. Contractor himself should supervise the work while working at height or handling of Heavy Plants & Equipment; and should intimate in writing to concerned BHEL Supervisor/ Engineer before commencement of work.
- 6 Contractor should ensure that none of the employees work without putting on Safety Shoes. No worker should be allowed to come inside the factory putting on Slippers or Chapples.
- 7 Contractor should inform in writing concerned BHEL Supervisor/ Engineer and BHEL Fire Officer before commencement of any type of Welding work at a height or at Hazardous area where danger of catching Fire exists.
- 8 Contractor himself or any of his worker should in no case operate BHEL's EOT/ Mobile Cranes, Jumbo / Fork Lift Trucks/ Tractors and any of the Machine Tools & Equipment which are not concern to scope of work.
- 9 In case of any Accident causing injury of casualty to any of Contractor's worker or Contractor himself while carrying out the work, the complete responsibility lies with the Contractor. Contractor should ensure to provide immediate Medical help to his injured worker/workers and should provide Compensation as per M. P. Govt. Workmen's Compensation Act' 1923, in case of injury or casualty causing out of accident while on work to his workers.

**3 Towards Statutory Liability:-**

- a) All statutory requirements under Minimum Wages Act, 1948, Payment of Wages of Act, 1936, Workmen Compensation Act 1923, E P F & M P Act 1952. Payment of Gratuity Act 1972, E S I Act 1948, The Contract Labour (R&A) Act 1970, Payment of Bonus Act, 1965, Income Tax Act, Service Tax and all other applicable Acts shall be complied with by the contractor.
- b) Contractor shall comply with all statutory requirements, rules, regulations and notifications in relation to employment of his employees issued from time to time by the concerned authorities.



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- 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.
  - d) Contractor to provide PF pass book to his employees and ensure payment of PF, EDLI, Pension dues under the EPF & M.P. Act, 1952 to the RPFC.
  - 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 remittance of PF, EDLI, Pension ESI contribution, Administrative Charges etc. wherever applicable and shall maintain proper records. Contractor to issue wage slips to his employees one day before the last day of the month
  - 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 & M.P. Act, ESI Act etc.
  - i) 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 Labor 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 his property and/ or his employees.
  - m) Contractor should have independent code numbers/ exemptions under EPF & M.P. 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 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 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 of the 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 7 days 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.



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**STATUTORY COMPLIANCES TO BE ENSURED BY WORK ORDER ISSUING AUTHORITY  
UNDER WORKS CONTRACT**

- 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.
- 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.
- Contractor will ensure that the job is executed through his employees on his rolls and under no circumstances the contractor will deploy any casual employee to carry out the job nor shall sub-contract the job without prior written permission.
- 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.
- Contractor shall obtain Police Verification of all his workers.

Contractor shall submit following Certificate for each contract separately.

"It is certified that PF/ESI challans of the amount Rs. \_\_\_\_\_ (in words Rs. \_\_\_\_\_) pertains to my workers, whose names are appearing in the wage sheet of the month \_\_\_\_\_ 20\_\_\_\_ and these workers are engaged in \_\_\_\_\_ (type of work) against work order no. \_\_\_\_\_ in \_\_\_\_\_ (name of department).

**PAYMENT OF WAGES**

- Contractor shall be responsible for making payment of wages through Bank/Cheque before expiry of 7 days from the last day of wage period. No other mode of payment shall be acceptable.
- In case contractor fails to make payment of wages to his employees or remittance of contribution to the concerned authorities, the security deposit /other dues under the contract can be utilized by BHEL to discharge the liability of the contractor.

**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.
- Contractor to ensure that employee deployed in the premises is physically and mentally fit and do not have any criminal record.
- Contractor will be responsible for good conduct of his employees. In case of misconduct, contractor shall take prompt disciplinary action as per "Model Standing Orders" on the advise of Contracting officer.



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- 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
- 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.
- Contractor shall fully comply provisions of various applicable labour laws

**RECORDS & INFORMATION TO BE FURNISHED BY CONTRACTOR**

- Contractor shall maintain neatly, completely and legibly registers, records, reports and returns for inspection by various authorities.
- Contractor shall provide information as required in respect of all his employees employed by him to enable the contract operating division to monitor compliance of PF/ESI and also to enable him to furnish information to Ministry and Labour deptt. as may be required.
- 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.

**COMPLIANCE OF STATUTORY PROVISIONS**

- Contractor shall fully comply provisions of various applicable labour laws 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
- Factory Act 1948
- Maternity Benefit Act 1961
- Equal Emolument Act 1976
- M.P. Shram Kalyan Nidhi Adhiniyam 1982
- Payment of Bonus Act 1963
- Shop & establishment Act 1958
- Inter State Migrant Act

**STATUTORY INSTRUCTIONS TO CONTRACTOR**

**(To be ensured by contracting dept.)**

**1 STATUTORY REGISTRATIONS AND CLEARANCES**

Contractor shall commence the work only after obtaining :

- Labour Licence
- Provident fund code no.
- ESI code no
- Registration no.
- Notice of commencement in Form 6-A & Maintain Register of workers in form 13



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**2 CONTRACTOR SHALL ENSURE FOLLOWING WHILE EXECUTING CONTRACT**

- Employment card as per rule no 76 of Contract Labour (Regulation & Abolition) MP rules, 1973
- Appointment letter to his employees.
- Annual leave with wages including EL, CL, National Holiday & Festival holiday.
- Leave record register.
- Shall engage only adult workers who have attained the age of 18.
- Work to be done on second/third shift, overtime, Sundays or on other declared holidays with written permission.
- Obtain insurance cover for his employees/equipment, tools etc & third party insurance coverage at his own cost.
- Remit Provident fund contributions in prescribed 3A & 6A forms
- ESI contributions in Form 6
- Submit challans of PF & ESI contributions every month.
- Provide Personal protective equipment for his employees
- Distribute wage slip each month to his employees
- Ensure payment of Statutory Minimum Wages as well as additional wages recommended by BHEL through bank account only.
- Submit employee and employer contribution as per Shram Kalyan Nidhi Adhiniyam 1982.

**3 PAYMENT OF WAGES ACT**

- Those engaging 100 or more workman, should submit or copy of standing orders.
- Shall comply with the provisions of Factories Act.

**4 ON COMPLETION OF WORK**

- Submit PF & inspection report

**5 SETTLEMENT OF CLAIMS FOR COMPENSATION**

(AS PER CORPORATE HR CIRCULAR NO. 016 /WLX/2018)

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

- a) **Victim:-** Any person who suffers permanent disablement or dies in an accident as defined below.
- b) **Accident :-** Any death or permanent disability resulting solely and directly from any unintended and unforeseen injurious occurrence caused during the manufacturing/ operation and works incidental thereto at BHEL factories/ offices and precincts thereof, project execution, erection and commissioning, services, repairs and maintenance, trouble shooting, serving, overhaul, renovation and retrofitting, trial operation, performance guarantee testing undertaken by the company or during any works / during working at BHEL Units/ Offices/ townships and premises/ Project Sites
- c) **Compensation in respect of each of the victims:-**
  - i) In the event of death or permanent disability resulting from Loss of both limbs: Rs. 10,00,000/- (Rs. Ten Lakh).
  - ii) In the event of other permanent disability: Rs.7,00,000/- (Rs.Seven Lakh)
- d) **Permanent Disablement:-** A disablement that is classified as a permanent total disablement under the proviso to Section 2 (I) of the Employee's Compensation Act, 1923.



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**6 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----- to this GCC.

The Annexure ----- 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.