

 BHEL, BHOPAL	<b>TCB TEST GROUP</b> <b>GENERAL TERMS &amp; CONDITIONS</b>	Page 1 of 15
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## **ANNEXURE- II**

### **1.0 DEFINITIONS: -**

The following terms and expressions shall have the meaning hereby assigned to them, except where the context otherwise requires.

- 1.1 'BHEL'** shall mean Bharat Heavy Electricals Limited, a Company registered under the Indian Companies Act, 1956 with its Registered Office at BHEL House, Siri Fort, New Delhi, Pin-110049 through its office at Piplani, Bhopal – 462022 or its authorised Officers or its Engineers or other employees authorised to deal with any matters with which these persons are concerned on its behalf.
- 1.2 'CONTRACTOR' or 'FIRM'** shall mean the individual, firm or Company who is enlisted with BHEL for providing the services and shall include their executors, administrators, successors and permitted assigns.
- 1.3 'CONTRACT' or 'CONTRACT DOCUMENT'** shall mean and include guidelines and declarations of the registration, the General Terms & Conditions and Statutory Compliances, schedules of quantities, accepted appendices of rates, if any, technical specifications, special specifications, if any, Letter of Intent, agreement & the work order, issued by BHEL.  
Any conditions or terms stipulated by the bidder in the tender documents or subsequent letters shall not form part of the contract unless specifically accepted in writing by BHEL and incorporated in the work order.
- 1.4 'TENDER DOCUMENTS'** shall mean Instruction to Tenderers, General Terms & Conditions, Special Conditions, Tender Specifications including drawings and any other documents issued to the bidder against invitation of bid.
- 1.5 'LETTER OF INTENT'** shall mean the intimation by a letter / email / fax to the bidder that the tender has been accepted in accordance with provision contained in that letter. The responsibility of the contractor commences from the date of issue of this letter and all the terms and conditions of contract are applicable from this date.
- 1.6 'APPROVED, DIRECTED or INSTRUCTED'** shall mean approved, directed or instructed by BHEL Shop Engineer / Shop- in-charge/ Concerned authorities.
- 1.7 'WORK' or 'CONTRACT WORK'** shall mean and include the work to be done in relevant work category by the firm or as specified in the Tender documents.

**2.0 Official secret act :** The firm shall give an undertaking under the official secret Act for maintaining secrecy of the drawings, documents or other records connected with the work given to them. The firm shall return all the drawings/documents given to them.

**3.0 Mode of communications :**

Generally, all communications, references etc. shall be delivered through email, fax or given to the authorized supervisor. It will be undertaken that the firm has read and understood the message, within three days of the delivery, even if they have not received / not opened/ having technical problems on their side. Firm shall communicate their change of authorized supervisor, email address in advance.

**4.0 Earnest Money :**

**4.1** Bidder has to submit Earnest Money Deposit (EMD) as per NIT Condition.

**4.2** In the case of unsuccessful bidder, the EMD will be refunded, within 15 days of the acceptance of award of work by the successful bidder.

**4.3** The EMD of the successful bidder will be retained towards part of Security Deposit.

**4.4** BHEL reserves the right of forfeiture of EMD, in case the successful bidder who:

**4.4(a)** After opening of tender, revokes / withdraws his tender within the validity period or revises / alters his earlier quoted rates / conditions.

**4.4(b)** Fails to start the work within the period as per LOI, contract / within 15 days after award of contract.

**4.5** No Interest shall be paid by BHEL on EMD.

**5.0 Offer submission in response to invitation :**

An offer, each page duly signed by an authorised person, with all formalities, in a sealed & properly super scribed envelope, shall be deposited, in tender box at the central designated venue, on or before the date and time specified in NIT.

Offers thus received shall be opened at the designated venue on the specified date & time, in the presence of those bidders or their representatives, who choose to be present.

The rate shall be quoted as the Final rate including of PF, ESI, all other statutory payments, levies and all other Govt. taxes but **Excluding of the GST.**

No any escalation/ additional / overtime/ waiting charges will be paid other than the quoted rate.

An offer will be treated as **invalid** offer if it contains any condition, deviation, or insufficiency. Quoting of any ambiguous, impractical, unworkable rate or overwritten, unclear or erased rate in Price bid shall be strictly avoided. Any such case may lead to cancellation of the offer.

Validity period of an offer shall be up to three months after the submission date.

### 6.0 Security Deposit :-

Upon acceptance of offer, the successful bidder shall deposit the prescribed amount of security deposit, before start of the work.

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

**6.2** 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.

**(Note: In case of (a) small value contracts not exceeding Rs. 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).**

**6.3 Return of Security Deposit:** The Security deposit shall be refunded to the firm, **only after minimum one month**, of successful completion of the contract with fulfilment of all contractual obligations as per terms of contract and after producing "Clearance and No Dues Certificate" from the concerned executive.

**6.4 No Interest shall be by payable by BHEL on Earnest money, Security deposit or on any due to the firm by BHEL.**

### 7.0 Agreement signing :

The firm will be required to sign a contract with BHEL on a proper Non-judicial stamp paper, in a prescribed format before start of work. The cost towards agreement shall be borne by the firm.

### 8.0 Responsibilities of the firm :-

#### 8.1 General Responsibilities:-

**a)** The firm shall follow all the statutory compliances as mentioned in the **annexure-III** and all the prevailing Industrial / Labour laws/ Govt. laws, as amended from time to time.

**b)** The firm shall pay all taxes, fees, license charges which may be due on him or otherwise as deemed fit.

- c) The firm shall ensure that no damage is caused to any person/any existing work/property of BHEL/other parties working inside the factory. If any such damage is caused, it shall be the responsibility of the firm to make good the losses and compensate the affected parties at his own cost.
- d) The firm shall fully indemnify BHEL/its customer against all claims of whatever nature arising during the course of execution of this contract due to acts of the firm/their personnel.
- e) **Gate Pass** for entry into BHEL Factory would be required for all the persons deployed by the firm. The firm shall be arranging the passes and working permission beyond normal working hours on their own. BHEL Engineer shall provide necessary help and guidance for the same.
- f) Firm shall maintain a Wages register showing the following details clearly, for each month, exclusively contract / area wise :-
  - I. Measure of work ( or attendance) for which worker is entitled for wages.
  - II. Wages paid,
  - III. PF and ESI deduction from each worker,
  - IV. PF and ESI contribution by firm,
  - V. Whether monthly wages slip received,
  - VI. Signature of worker.

One copy of wages record shall be furnished every month, for inspection purpose, of various labour authorities. Firm shall preserve all such wages records and other records, up to as specified by Labour laws and at least up to the security deposit clearance.
- g) Firm shall furnish the following certificates duly applicable for the working year , whenever desired by BHEL.
  - I. Annual returns & inspection certificates of PF and ESI.
  - II. Monthly challans of PF and ESI.
  - III. MP Welfare fund receipt.
  - IV. Annual statement for availed/paid leaves,
  - V. Bonus paid ( Form-C & D )
- h) The firm shall ensure that the employees deployed by them restrict their movement in the area earmarked.

### **8.2 Technical responsibilities :**

- a) Firm shall perform all activities of the enlisted work category, or activities as notified in the Tender, as per directives of BHEL shop engineer.
- b) Only qualified workers with required experience in the relevant work category shall be deployed to execute the work.

- c) The work shall be done under the full time and complete administrative & technical supervision by graduate engineer / experienced diploma holder / Group leaders appointed by the firm.
- d) All materials required to perform above activities and other shop equipments / fixtures / tools / crane facility will be provided at free of cost by BHEL.
- e) Working time can be any time during Ist/ IInd / IIIrd shifts as required by BHEL including Sundays & Holidays. Normal working hours in the plant is 8 hours.
- f) The firm shall complete the allotted work, meeting all norms & safety parameters up to the satisfaction of shop / testing executive / HSE.
- g) Measurement unit of assigned work shall be generally per technology hours or per job etc. which shall be notified during bidding invitation.

### 9.0 Payment terms :

- 9.1 Payment shall be made based on successful completion of specific activities as per Annexure –I. Firm shall submit their clear & legible bills ( in duplicate ) on **Monthly basis**, duly verified by concerned engineer through Measurement book.
- 9.2 Payment shall be released normally, within 60 days, after submission of the bills (Measurement book), with meeting all formalities in advance. All payments shall be released through electronic-pay mode only.
- 9.3 GST, if applicable, shall be paid, as per Govt. rules, to the firm against running actual, on documentary evidence. The GST shall be paid extra and over the quoted rate. Any loss of tax credit due to the reason attributable to contractor shall be recovered with interest from them.  
**NOTE:** Please Refer **Annexure I** for detailed information regarding GST Processing rules against the bill put up by contractor.
- 9.4 No interest shall be payable by BHEL on Earnest Money, Security Deposit or on any money due to the firm by BHEL.
- 9.5 Firm shall arrange his own finance for smooth execution of contract, wages payment, other statutory payments to his employees and all other agreed conditions. Payment against running bills, on achievement of milestones, will have no relation with the payment schedule of firm for wages etc. of their personnel.

### 10.0 Penalty :

Penalty may be imposed , at the specified rate, as mentioned in NIT.

**11.0 Force majeure :**

The following shall amount to force majeure conditions: Acts of God, act of any Government, War, sabotage, riots, civil commotion, police action, flood, fire, cyclone, earthquake, epidemic and other similar causes over which, no contractor has any control.

In such cases, firm shall resume their operations, after reasonable and mutually agreed time.

**12.0 Arbitration: (Please also Refer Annexure –J for Conciliation Proceedings)**

**12.1** 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.

**12.2** The parties to the Contract understand and agree that there will be no objection that the General Manager or the person nominated as arbitrator had earlier in his official capacity directly or indirectly dealt with the matters to which the Contract relates or that in the course of his official duties had expressed views on all or any of the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties to this contract.

**12.3** The arbitration proceedings shall be held at Bhopal.

**13.0 Rights of BHEL :**

BHEL reserves to itself, the following rights without entitling the Contractor to any compensation:-

**13.1** Resorting to any, some, all of the actions like Contract termination, recovering the dues/ losses from the Security Deposit and the contract amount, forfeiting the Security Deposit, getting the work done through other agencies at the cost of the contractor, cancellation of registration, banning the business with BHEL etc., in any event of the followings:

- a) Contractor's repeated poor performance, withdrawal from or abandonment of the work, except in force majeure conditions.
- b) Serious lapse in performance, Persistence disregard of the BHEL instructions.
- c) Insolvency of the contractor.
- d) Assignment, transfer, subletting of the contract work without BHEL's written permission.
- e) Non-fulfilment of any contractual obligations or obligations under the law.

**14.0 'Law governing the contract and court of jurisdiction':** The contract shall be governed by the law for the time being in force, in the Republic of India. The Civil Court at Bhopal shall alone have exclusive jurisdiction in regard to all claims in respect of the contract.

**15.0 Compensation In Case Of Death/Permanent Incapacitation:**

"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 thereof at BHEL factories/ officers 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/ Officers/ townships and premises/ Project Sites.
- b) 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".

**16.0** In order to comply with above **clause 15.0**, contractor may submit an undertaking (**Annexure D**) that, in case they bag the contract, they will fulfil the necessary condition w.r.t. insurance coverage of workers as mentioned in the clause by way of taking an accidental insurance cover for the said amount for their workers. After issue of work order, the successful contractor will have to submit the insurance policy for his workers before submission of his first running bill. However, if otherwise clause 15.0 as above shall be applicable.

## Annexure D

### Undertaking from the Contractor

I/we.....  
 hereby, undertake that in case I/we get the work order for NIT  
 No:.....,  
 I/we will submit insurance cover for work force deployed in the work  
 order issued against the above NIT, in order to comply with clause 15.0  
 of "General Terms and Conditions" before submission of the first running  
 bill.

Name & Signature of the bidder

(Seal)

**SPECIFIC CONDITIONS:-** The following shall be specifically considered in execution of contract:-

1. **Attendance record of contract workers** - "The contractor should maintain an Attendance Register against each work order in respect of the contract labourers deployed by him in that department. The contractor shall record the daily attendance of the workers. The register shall bear the daily signature of contract workers & contractor. The register shall at all the times of work, be available at the place of work/deptt. Attendance register shall be maintained in the format of Form No XVI as per CL (R&A) Central rules 1971 and available on CLC web page. If during any inspection, the attendance register is not found at the place of work, the contract is liable to be short closed/ terminated. "

**it shall be specifically provided that BHEL reserves the right to reject any labour technically unsuitable**

2. **Wage record of contract workers** - "The contractor should maintain a Wage Register against each work order in respect of the contract labourers deployed by him in that department. Wage Register shall be maintained in the format of Form No. XVII/XVIII as per CL (R&A) Central Rules 1971 and available on CLC web page. The Wage Register shall be based on the Attendance Register as mentioned above. The Contractor shall issue Wage Slip to each contract worker, every month on the last day of the wage month. Wage slip shall be as per the CLC format available at CLC Web page. The Contractor shall pay wages not later than 7th of the succeeding month. The Wage Register shall bear the PF and ESI nos. of the workers."
3. **Compliance of PF/ ESI deductions** - "The Contractor shall file the electronic return of PF/ ESI and submit proof of payment of both the employer's and employees' contributions every month. (PF has to be remitted by 15th and ESI by 21st of the succeeding month.) Contractor shall submit the challan along with copy of a self-certified list of contract workers (bearing their names and PF/ESI no. and deductions made) for whom the contribution has been submitted by him for the said period. Such list shall be displayed in the notice board of the department."
4. **ESI card based Labour Entry** – "Only those workers shall be allowed entry into Factory premises who have valid ESI card."
5. **Uniform, shoes & helmet for contract workers**- "In the first month of the execution of work order the contractor shall provide uniform, shoes & helmet to his workers and provide an undertaking on this regard to the department and the first bill shall be processed only on the production of the undertaking. In case of non-compliance beyond second month the contractor shall be issued notice of termination of contract."

6. **Supervision of Contractor labour**– “The contractor should provide for at least one identified supervisor per shift. All issues regarding discipline at the works like work allocation, early exit, snacks distribution etc. are to be supervisor’s personal responsibility. “
7. **Contract labour accidents while at work**:-“In case of medical emergencies faced by contract worker at work, medical facilities in the interest of the well-being of the worker shall be provided by BHEL. The decision of the doctors attending the emergency shall be final and binding. The cost incurred shall be deducted from the bills of the contractor. The Contractor shall complete the ESI formalities and BHEL shall submit claim of reimbursement of medical expenses to ESI. The amount reimbursed by ESI shall be paid back to the contractor.”
8. **Prohibition on influencing and interfering on behalf of contractor**:-“The Contractor shall neither try to influence, chase or interfere into the working of BHEL officials nor engage BHEL employee or any other third person for the same. In case such incident does occur, it may lead to disqualification/debarring from the contract. Any contractor shall be debarred from consideration if any of his relations is working in the product/functional group in which the contract is being issued. Before issuing tender form to any contractor for limited tender enquiry a confirmation has to be given by contractor that none of his relations are working in that product/functional group.”
9. Relatives of BHEL Employees working at tendering department are not eligible to participate in tender.
10. **First and Final Bill to be cleared only after submission of Form VII.**

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### ANNEXURE- III

#### INSTRUCTIONS TO CONTRACTORS

#### STATUTORY COMPLIANCES TO BE ENSURED BY WORK ORDER ISSUING AUTHORITY FOR JOB / WORK / LABOUR CONTRACTS

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. 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.
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.
5. Contractor shall obtain Police Verification of all his workers.
6. 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 Work order no. ----- in ----- (name of department).

Signature of Contractor

#### 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 and to ensure disbursement of wages in the presence of the authorised representative of contract operating division & representative of HR 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.....”

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**

1. 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.
2. Contractor to ensure that employee deployed in the premises is physically and mentally fit and do not have any criminal record.
3. 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 advice of Contracting officer.
4. 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.
5. 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.
6. Contractor shall fully comply provisions of various applicable labour laws.

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

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

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.
3. 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 P.F./ESI and also to enable him to furnish information to Ministry and Labour deptt. as may be required.
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.

### **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
- .. M.P. Industrial Relations Act 1960.
- .. Factory Act 1948
- .. Maternity Benefit Act 1961
- .. Equal Emolument Act 1976
- .. M.P. Shram Kalyan Nidhi Adhiniyam 1982
- .. Payment of Bonus Act 1963
- .. Inter State Migrant Act.

### **STATUTORY INSTRUCTIONS TO CONTRACTOR**

(To be ensured by contracting dept.)

### **STATUTORY REGISTRATIONS AND CLEARANCES**

Contractor shall commence the work only after obtaining:

1. Labour Licence
2. Provident fund code no.
3. ESI code no

4. Registration no.
5. Notice of commencement in Form 6-A & Maintain Register of workers Form 13.

**CONTRACTOR SHALL ENSURE FOLLOWING WHILE EXECUTING CONTRACT**

1. Employment card as per rule no 76 of contract labour (Regulation & Abolition) MP rules, 1973
2. Appointment letter to his employees.
3. Annual leave with wages including EL, CL, National Holiday & Festival holiday.
4. Leave record register.
5. Shall engage only adult workers who have attained the age of 18.
6. Work to be done on second/third shift, overtime, Sundays or on other declared  
Holidays with written permission.
7. Obtain insurance cover for his employees/equipments, tools etc & third party insurance coverage at his own cost.
8. Remit Provident fund contributions in prescribed 3A & 6A forms
9. ESI contributions in Form 6
10. Submit challans of PF & ESI contributions every month.
11. Provide Personal protective equipments for his employees
12. Distribute wage slip each month to his employees
13. Ensure payment as per minimum wages act, 1948 in presence of HR and concerned dept representative.
14. Preferably Uniform to labours different from BHEL employees
15. Submit employee and employer contribution as per Shram Kalyan Nidhi Adhiniyam 1982.

**PAYMENT OF WAGES ACT**

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

**ON COMPLETION OF WORK**

Submit PF & inspection report

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