

GENERAL TERMS AND CONDITIONS OF WORKS CONTRACT

The following must be complied during execution of the work:-

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. Also BHEL reserves the right to reject any labour technically unsuitable for the mentioned Job.
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. First and Final Bill to be cleared only after submission of Form VI A & VI B: “Contractor shall within 5 days of commencement /completion of Work Order submit Form VI A to RLC office. Contractor shall submit a copy of Form VI A bearing the receipt seal of RLC office to HR department. The first and final bill shall be processed only on clearance regarding submission of Form VI A and VI B by contractor. New Work order no. shall be allotted only after the contractor concerned furnishes copy of Form VI A regarding the closure of the earlier contracts (if any). “

CONTRACTUAL AND LEGAL OBLIGATIONS OF THE CONTRACTOR**A) GENERAL CONDITIONS:**

1. BHEL shall have the privity of the contract with the contractor only and will give instructions to the contractor or his authorized. 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 contract 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. The liability for any compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
5. Contractor shall observe Provision of the Factory 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 on other declared holidays without written permission.
6. Contractor shall obtain Police Verification of all his workers.
7. Contractor shall ensure following while executing contract.
 - A. Employment card as per rule no 76 of contract labour (Regulation & Abolition) M.P. rules, 1973.
 - B. Appointment letter to his employees.
 - C. Annual leave with wages including EL, CL, National & Festival Holiday.
 - D. Leave record register.
 - E. Shall engage only adult workers who have attained the age of 18.
 - F. Work to be done on second/third shift, overtime, Sunday or on other declared holidays with written permission.
 - G. Obtain insurance cover for his employees/equipment, tools etc & third party insurance coverage at his own cost.
 - H. Remit Provident fund contributions in prescribed 3A & 6A forms.
 - I. ESI contributions in Form 6.
 - J. Submit challans of PF & ESI contributions every month.
 - K. Provide Personal protective equipments for employees.
 - L. Distribute wage slip each month to employees.
 - M. Ensure payment as per minimum wages act, 1948 in presence of HR and concerned dept representative.
 - N. Preferably Uniform to labours different from BHEL employees.
 - O. Submit employee and employer contribution as per Shram Kalyan Nidhi Adhiniyam 1982.
 - P. As per rules contractor shall provide BONUS for each worker deputed by him in this contract. For contract terminating before 30th Nov., contractor should pay the bonus before the final bill is cleared.

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

8. Leave – In case of workers who have worked for 240 or more days in the preceding year, annual leave with wages @ one day for every 20 days worked and 07days casual leave is to be provided. For all work contract labourers eight days paid holidays are to be provided in a year.
9. Maximum overtime permissible is 50 hours in a quarter. In case of overtime, contractor should ensure that payment is made at double the rate of normal wage. In case of working on Sunday, contractor should ensure that a weekly holiday is given to the worker.
10. Contribution to welfare fund – contractor should ensure that half-yearly contribution to MP Labour Welfare fund is deposited [@ Rs.30/- (by contractor) per person and @ Rs.10/- (by worker) per person]. Many welfare facilities like student scholarship, distribution of note-books at subsidized rates, monetary help for daughter's marriage widow pension, vocational training, etc. flow from this fund.
11. Inspections – During inspection (by PF/ESI or Labour authorities), contractors should make themselves available for inspection of their records and cooperate with authorities and BHEL. Contractor should provide correct and complete information of their workers to all the authorities. They should keep all the registers and formats updated.
12. First and Final Bill to be cleared only after submission of Form VI A & VI B : Contracting executive shall within 5 days, from commencement and also on completion of Work Order, issue Form VI B which is a mandatory requirement. The format of Form VI B is available on CLC web page. HR/CLC shall follow up with the department to ensure this; Contractor shall within 5 days of commencement /completion of Work Order submit Form VI A to RLC office. He may be instructed accordingly by the contracting executive. Contractor shall submit a copy of Form VI A bearing the receipt seal of RLC office to HR. CLC shall display at its site the status of submission of form VI A & VI B. Finance shall process the first/final bill on clearance from HR regarding submission of Form VI A and VI B by contractor.

B) TOWARDS SELECTION, CONTROL & SUPERVISION OF EMPLOYEES:

1. 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 specification quality plan. There shall be no interference or intervention whatsoever by BHEL.
2. Contractor shall supervise the work allotted to him and to be carried out by his employees. Contractor has to report daily to the engineer / supervisor incharge for allotment of work.
3. Contractor to maintain appropriate records of his employees deployed to carry out the job(s).
4. Contractor should issue appropriate appointment letter to his employees.
5. Contractor to provide employment card/Identity card with photograph duly verified and attested by the contractor to his employees. Contractor to indicate his name, place of work and duration of validity of card.
6. Contractor will ensure that the job is executed through his employees on his rolls and under no circumstances the contractor will deploy any casual employees to carry out the job nor shall sub-contract the job.
7. Contractor will keep watch on his employees and he is liable for any pilferage/loss to BHEL due to act 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 contractor shall lie exclusively with him.
8. Contractor to provide uniforms/safety appliances & safety shoes to his employees. The contractor shall be responsible for enforcing all safety regulations applicable to BHEL.
9. The contractor has to provide a distinct uniform different from BHEL employees. The uniform shall be kept in tidy & wearable condition. Wherever necessary, the can shall be integral of the uniform.
10. The contractor to ensure that all precautions are taken for safety of his employees & equipment.
11. In the event of termination of contract any reasons whatsoever, the contractor shall withdraw all his employees from the establishment of BHEL. As and when contract is terminated the
12. Contractor may discharge his employees after making payment towards retrenchment compensation.

C) 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 such equipment is required in day-to-day operations.
2. Contractor to ensure that employee deployed in the premises is physically and mentally fit and do not have criminal record.
3. Contractor will be responsible shall 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.

D) TOWARDS STATUORY LIABILITIES:

1. Contractor shall comply with statutory requirements, rules, regulations, and notifications in relation to employment of his employees issued from time to by the concerned authorities.
2. Contractor shall ensure payment of statutory prescribed minimum wages as applicable from time to time in the presence authorized representative of BHEL and maintain proper records of their timely disbursement. These records need to be preserved for a period of at least any 3 years and should be made available even after the contract is over for any verification by the statutory/BHEL authorities.
3. Contractor to provide PF pass book to his employees and ensure payment of PF, EDLI, pension dues under EPF & MP Act, 1952 to the RPFC.
4. Contractor shall ensure payment of ESI contributions under ESSI Act, 1948 and provide ESI member ship no. of each employees.
5. Contractor shall produce proof of deductions as remittances of PF, EDLI, Pension, ESI contribution, administrative charges etc. wherever applicable and shall maintain proper records.
6. Contractor shall furnish proper returns to the concerned statutory authorities.
7. 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 second/third shift, overtime, Sundays or on other declared holidays without written permission.
8. In case contractor employs women as 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.
9. Contractor shall indemnify BHEL against all claims and losses under various statutes or any civil or criminal law in connection with employees deployed by him.
10. The liability for compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
11. Contractor to obtain insurance cover for his employees/equipments, tools & tackle etc. and take third party risk insurance coverage at his own cost, BHEL shall not responsible for any loss, damage, pilferage of his property under employees.
12. Contractor should have independent code numbers under EPF & MP Act, 1952 and ESI Act, 1948 service tax and shall cover his employees under the said codes.
13. Contractor to obtain license CL (R&A) Act, 1970.
14. Contractor shall fully comply provision of various applicable labour provisions of the following enactments and other enactments as applicable for such contracts.
 - A) Contract Labour (R&A) Act 1970 and rules 1971.
 - B) Payment of wages Act.
 - C) Minimum Wages act 1948, M.P. Rules 1958.
 - D) Employees State Insurance Act 1948, Rules and regulations 1950.
 - E) Employees Provident Fund Act 1952 and Pension Scheme 1995.
 - F) Workmen's Compensation Act 1923.
 - G) M.P. Industrial Relations Act 1960 and Factory Act 1948.
 - H) Maternity Benefit Act 1961.
 - I) Equal Emolument Act 1976.

- J) M.P. Shram Kalyan Nidhi Adhiniyam 1982.
- K) Payment of Bonus Act 1963.
- L) Inter State Migrant Act.

15. Contractor shall commence the work only after obtaining:

- i) Labour Licence,
- ii) Provident fund code no.
- iii) ESI code no.
- iv) Registration no.
- v) Notice of commencement in Form 6-A & Maintain Register of workers in Form 13.

E) PAYMENT OF WAGES:

- 1. Contractor shall be responsible for making payment of wages through online banking/Bank/Cheque before expiry of 7 days from the last day of wage period. No other mode of payment shall be acceptable.
- 2. 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.
- 3. Contractor shall be solely responsible for non payment/delayed payment of wages, contribution under EPF & MP Act, ESI Act etc.
- 4. In case the contractor fails to make 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.
- 5. Payment of bonus under the payment of bonus Act, payment of gratuity under the payment of Gratuity Act, and retrenchment compensation under Act will be sole responsibility of the contractor.
- 6. Over and above the daily wages rate, payment shall be made for leave with wages.

F) TOWARDS SUPPLY OF TOOLS AND TACKLES:

- 1. Contractor shall provide to his employees all tools, tackles and equipments and maintain the same to carry out job contract at his cost and if necessary contractor shall take insurance of his resources-man, material, equipments and tools & tackles.
- 2. Contractor shall provide safety appliances & maintain the same at his own cost which may be required under the statute or otherwise.
- 3. Contractor shall provide tools and tackles at his cost to his employees for carrying the job.

G) TOWARDS FINANCE:

- 1. Contractor to arrange his own finance for carrying out the job including supply of tools, tackles and equipments to his employees, materials, payment of wages to his employees etc. Rate quoted shall be net and inclusive of all taxes and levies which might be applicable to this type of job.

H) RIGHTS AND OBLIGATION OF BHEL:

- 1. In case the contractor does not carry out the contractor/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 obligation and rectify the deficiency/anomaly within three days (specify time) failing which BHEL reserves the right to impose penalty terminate the contract without assignment any reason whatsoever. In such an event, no damages will be payable for short closure of the contract.

2. Without prejudice aforesaid clause, BHEL reserves its right terminate the contract without assigning any reason by giving 30 days notice in writing to contractor.
3. The decision of BHEL regarding interpretation of terms and conditions set forth in the agreement shall be final and binding on the contractor.
4. Duration of contract i.e, date of start and date of completion is specifically provided in the contract. Both the parties can reserve the right to extend the contract on mutually agreed terms and conditions.
5. In case of any dispute concerning the terms and condition of the contract or its implementation, attempts need to be made by the parties to settle the matter amicably. In case the dispute is not resolved the dispute needs to be referred for conciliation by an officer of BHEL. In case it remains unresolved, the dispute be referred for arbitration by an officer of BHEL. In case arbitration by an officer of BHEL is not acceptable, the same could be entrusted to any mutually agreeable Government functionary or an independent person.
6. The contract needs to be executed on proper stamps paper to be purchased by the contractor (stamps fees be ascertained as per the applicable rates in the concerned State). It should be signed with seal of the Firm/Company and witnessed.

I) Force Majeure Clause:

1. Neither the BHEL nor the contractor shall be held responsible for total or partial non execution of any of the contractual obligations of this tender, caused by or arising from an event force majeure which will include war, military operations of any nature, blockages, revolutions, riots, public war, acts of god, epidemics and act of Govt. over which the contractor or BHEL has no control.

J) ARBITRATION & CONCILIATION

Except as provided elsewhere in this Contract, in case amicable settlement is not reached between the Parties, in respect of any dispute or difference ; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract; or; in any manner touching upon the Contract, then, either Party may, by a notice in writing to the other party refer such dispute or difference to the sole arbitration appointed by Head of the BHEL Unit/Region/Division issuing the Contract.

The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the Parties.

Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) or statutory modifications or reenactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be BHOPAL.

The cost of arbitration shall be borne as per the award of the Arbitrator.

Subject to the arbitration in the terms of Clause (I) above, the Courts at Bhopal shall have exclusive jurisdiction over any matter arising out of or in connection with this Contract.

Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the contractor shall proceed with and continue without hindrance the performance of its obligations under this contract with due diligence and expedition in a professional manner except where the contract has been terminated by either party in terms of contract.

(Signature & Seal of bidder)

BHEL TERMS & CONDITIONS
HEALTH, SAFETY & ENVIRONMENT

Contract Workers Management :

The following points are proposed for incorporation into BHEL Terms and Conditions” in Work Orders to be issued to Outside Agencies for carrying out work in BHEL Bhopal, including Township Area :

1. There should be a chapter entitled “Safety and Environment Obligations”, to be included in every set of Tender documents issued to outside agencies. The same should included in Work Order Award documents.
2. Rules To Be Observed, (while inside BHEL premises) :
 - i) BHEL is a no-smoking zone. This rule shall be observed by all workmen at all times while inside BHEL.
 - ii) Workers shall not indulge in gambling or consumption of liquor while inside BHEL.
 - iii) No workmen shall enter BHEL in inebriated condition.
 - iv) 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.
3. SAFETY :
 - i) No workman shall be below the age of 18 years on the date of starting work in BHEL.
 - ii) For any skilled / semi-skilled work, trade certificate such as ITI pass, Diploma, or degree shall be furnished.
 - iii) Electricians shall furnish their valid license from Chief Electrical Inspector, Govt of MP. Or Equivalent Certificate of experience as per IEE Rules.
 - iv) For Crane operators, a minimum skill certificate of ITI pass shall be required. Experience certificate stating specific skill in crane operation such as EOT crane, mobile crane etc as may be relevant, names of enterprises where cranes have been operated in the past , period (from and to date) shall be furnished at the time of quoting for the tender.
 - v) Contractor shall submit proof of crane operator having undergone training for operating the crane.
 - vi) For slingers employed by contractor, the minimum educational qualification shall be 10th pass .
 - vii) 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.
 - viii) 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.
 - ix) 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.
 - x) The Signed endorsement of this sheet shall be sent to CLC division at the time of commencement of work.
 - xi) Failing to furnish this endorsed copy will result in objection for processing the running / final bill, whichever is put up first, for clearing.

4. ENVIRONMENT:

- i) 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.
- ii) No oil or chemical etc shall be drained in the drains or water pools inside factory.

5. HEALTH:

- i) Medical certificate of current date, from local Registered doctor (MBBS) in respect of all workmen shall be furnished by contractor before starting work in BHEL .
- ii) For crane operators Medical certificate with special fitness of eye-sight & colorvision from Registered doctor (ophthalmology MBBS) shall be furnished before start of work; and fresh medical certificate shall be thereafter produced every 12 months. For an operator of 45 years and above, the same shall be furnished every 6 months of his working inside BHEL from Registered doctor(MBBS Ophthalmology).
- iii) All hired crane operators shall be got certified by the contractor from Safety Department before deployment at any shop floor, and from time to time as required in accordance with directive of BHEL.
- iv) For such workmen
as will be employed in Canteens, the contractor shall furnish Medical Certificate of fitness from Registered doctor (MBBS) stating fitness in addition to general aspects, free from any skin diseases, infectious diseases like TB, Asthma, Leprosy etc.
- iv) 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.
- v) For all such work requiring working at heights such as chimneys, rooftops, columns of blocks, special medical certificate of fitness from MBBS doctor shall be furnished showing the person is free from such medical conditions as vertigo, epilepsy etc. Specific written permit shall be taken from the In-charge/HOD of that department not less than AGM, for such work.

6. ROAD SAFETY :

- i) 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.
- ii) 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.
- iii) 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.

7. 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/de-dusting.
- K) All stipulations of the Factories Act shall be honored and observed by contractor's workmen.

8. 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 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)

- 8.1 Revolving Machinery
- 8.2 Pressure Vessels
- 8.3 Lifting Devices
- 8.4 Power Presses
- 8.5 Work at heights
- 8.6 Any confined space
- 8.7 Electrical Equipment
- 8.8 In the vicinity of other hazardous process/machinery

To be signed by contractor
(as proof of having read & agreed for compliance)

Compensation in case of death/permanent incapacitation of person

“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.”

To be signed by contractor

(as proof of having read and agreed)

GST Clause

1. Whenever 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 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 invoices rules.
 - B) Contractor declaring such invoices in his GSTR-1 or any modified return as notified by government.
 - C) Receipt of goods/services and Tax Invoices by BHEL and
 - D) Confirmation of payment of GST thereon by contractor on GSTN portal.
 - E) Alternatively, contractor has to submit BG of appropriate value which shall be valid at least one month after the confirmation of date of payment of GST by contractor on GSTN portal and receipt of Tax invoice and receipt of services, whichever is later. Contractor has to give an undertaking in this regard.
 - F) 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 release only after completion of above activity and on availment 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 invoices or expiry of the timeline prescribed in GST law for availing such ITC or any other reason not attributed to BHEL, GST amount shall be reasonable from the contractor along with interest levied/leviable on BHEL.
5. Reverse Charge under GST :
 - A) 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 30 days from the date of invoice. Any interest or penalty implications attributable to the contractor shall be recovered from them.
 - B) 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 levitable 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. Liquidated Damage/Penalty :

Liquidated damage (LD) or penalty if chargeable from suppliers/contractors as per NIT, applicable GST will be charged in addition to the same.
7. Tax Deduction at source:

TDS as per extent provision of the GST law shall be deducted from supplier/contractor bill.

Signature of contractor

(as proof of having read & agreed for compliance)

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-VI to this GCC. The Annexure VI together with its 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/counter-claims 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.
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. 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 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: a. On the date of signing of the Settlement agreement by the Parties; or, b. 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, c. 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, 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.
23. The Conciliator(s) shall be entitled to following fees and facilities:

| <u>S. N.</u> | <u>Particulars</u> | <u>Amount</u> |
|---------------------|---|--|
| <u>1</u> | 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. |
| <u>2</u> | Towards drafting of settlement agreement | In cases involving claim and/or counterclaim of up to Rs 5crores. Rs 50,000/- (Sole Conciliator) . In cases involving claim and/or counterclaim of exceeding Rs 5 crores but less than Rs 10 crores. Rs 75,000 (per Conciliator) In cases involving claim and/or counterclaim 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. |
| <u>3</u> | 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 |
| <u>4</u> | Travel and transportation and stay at outstation i) Retired Senior Officials of other Public Sector Undertakings (pay scale wise equivalent to or more than E8 level of BHEL) | As per entitlement of the equivalent officer (pay scale wise) in BHEL. |
| <u>5</u> | 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. |
| <u>6</u> | 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. |

24. 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.
25. 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.
26. 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.
27. 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.
28. 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.
29. 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.
30. 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.
31. 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.
32. 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.
33. 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.
34. The official language of Conciliation proceedings under this Scheme shall be English unless the Parties agree to some other language.

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

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:

| SL. 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

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 Claim(s)/Counter Claim(s):

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

5. 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.