**ANNEXURE-III**

**GENERAL TERMS AND CONDITIONS FOR INVITING TENDERS AND AWARDING CONTRACT .**

**Definitions**:-

1. "Company of Corporation" shall mean Bharat Heavy Electricals Limited having its registered Office at New Delhi and includes a duly authorized representative of the Company / Corporation or any other person empowered in this behalf by the  Company  /Corporation to discharge all or any of the its, functions.
2. "Accepting Authority" shall mean the head of the Maintenance Division or any other person Authorized by him.
3. "The Contract" shall mean the notice inviting the tender and acceptance there-of and the formal agreement if any,  executed between the Bharat Heavy Electricals Ltd., Bhopal and the Contractor together with the documents referred to there in  including these conditions , and any special conditions, specifications, design drawings. All these documents taken together  shallbe deemed to form one contract and shall be complementary to one another.
4. The  "Contractor"  shall mean the individual or firm or company whether incorporated or not, undertaking the work  and  shall include legal representatives of such individual or persons composing such firm or company as the firm may be and  permitted, assigning of such individual or firm or company.
5. The Contract sum shall mean the lumpsum for which the tender is accepted, in the case of lumpsum contract, and in the case  of item rate in the case of the works arrived at after extension of quantities shown in schedule of quantities by the item rates quoted by the tendered for various item.
6. A "DAY" shall mean a day of 24 hours from midnight to midnight irrespective of the number of hours worked in that day.
7. A week, shall mean seven days without regard to the number of hours worked in any day in the week.
8. The  "work"  shall mean the work to be executed in accordance with the contract or part(s) there of as the case may  be  and shall  include all extra, additional altered or substituted work or temporary and urgent work as required for performance  of the contract.
   1. Engineer incharge shall mean, the Engineering Officer appointed by the Accepting authority, who shall direct, supervise, and be incharge of the work for purposes of this contract.

**SCOPE OF PERFORMANCE;**

**Contract Documents**:

* 1. The  contractor  shall be furnished, free of charge, two certified true copies of the contract documents. He shall  keep  one copy  of this documents on the site in good order, and the same shall at all, reasonable times, be available  for  inspection and use by the Engineer-in-charge his representatives or by other Inspecting Officers.
  2. None of documents shall be used by the contractor for any purpose other than that of this contract.
  3. The  contractor shall take necessary steps to ensure that all persons employed on any work in connection with  this  contract have  noticed that Indian Official Secrets Act, 1923 applied to them end shall continue so to apply even after the  execution of such work under contract.

3. **Work to be carried out** :

The work to be carried out under the contract shall except as otherwise provided in these conditions, include all labour, materials, which may be required for full and entire execution and completion of the work.

3.1. Contractor  shall  make his own arrangements for all the tools, tackles, measuring instruments consumables required  for  the execution of the work.

**Inspection of work before submission of tender**.

4. The  contractor  shall examine the quantum of work and shall satisfy himself before submitting his tender. He  shall  himselfassess the requirement of materials, contingencies and other circumstances which may affect or influence his tender, no extra charges on any misunderstanding or otherwise shall be allowed.

5**. Sufficiency of Tenderers**:-

The contractor shall be deemed to have satisfied himself before tendering, as to correctness and sufficiency of his tender, the work and prices. This shall except as otherwise provided, all obligations under the contracts and all matters and things necessary for the proper completion and maintenance of the works.

6. **Discrepancies and Adjustment and Errors**:-

The several documents forming the contract are to be taken as mutually explanatory of one - another. If there are varying  or conflicting provision made in any document forming part of the contract, the accepting authority shall  be  the  deciding authority with regard to the intention of the document. Any error on description, quantity of rate or any error on  description  or any commission these firm shall not initiate the contract or release the contractor from execution of whole or  any part of work comprised. There in according to drawings and specification or from any of his obligation under the contract.

7.: **Security Deposit**:

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

2. **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.

3. **Modes of deposit:** The balance amount to make up the required Security Deposit of 5% of the contract value may be accepted in the following forms:

i) Electronic Fund Transfer mode via following link : https://www.bhelbpl.co.in/qcins/iccs.htm

ii) Fixed Deposit Receipt issued by Scheduled Banks/ Public Financial Institutions as defined in the Companies Act (FDR should be in the name of the Contractor,

a/c BHEL,Bhopal)

iii) Securities available from Indian Post offices such as National Savings Certificates,

Kisan Vikas Patras etc. (held in the name of Contractor furnishing the security and duly endorsed/ hypothecated/ pledged, as applicable, in favour of BHEL, Bhopal)

4. **Collection of Security:** At least 50% of the required Security Deposit, including the EMD, should be collected before start of the work. Balance of the Security Deposit can be collected by deducting 10% of the gross amount progressively from each of the running bills of the Contractor till the total amount of the required Security Deposit is collected. If the value of work done at any time exceeds the contract value, the amount of Security Deposit shall be correspondingly enhanced and the additional Security Deposit shall be immediately deposited by the Contractor or recovered from payment/s due to the Contractor.

5. The recoveries made from running bills (cash deduction towards balance SD amount) can be released against submission of equivalent Bank Guarantee in acceptable form, but only once, before completion of work, with the approval of the authority competent to award the work. (Note: In case of (a) small value contracts not exceeding ` 20 lakhs or (b) SAS jobs, work can be started before the required Security Deposit is collected. However, payment can be released only after collection/ recovery of initial 50% Security Deposit).

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

7. The Security Deposit shall not carry any interest.

8. **Time and Extension for delay**

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

* 1. As soon as possible after the contract is concluded, the Engineer-in-charge and the contractor shall be agree upon a time  and progress chart. The chart shall be prepared in direct relation to the time in the contract documents for completion of the work. It shall indicate the forecast of the dates of the commencement and completion of various activities to be done forcompletion of the work as per contract. This may be amended as necessary by agreement between the Engineer-in-charge and thecontractor  within  the  limitation  of time imposed in the contract document and further  ensure  good  progress  during  the execution of the work. The  contractor shall in all cases in which the time allowed exceed one month, complete 1/8th of the whole of the work  before 1/4th of the whole time allowed in the contract has elapsed, 3/8th of the work before 1/2 of such time has elapsed and 3/4 the before 3/4th of such time has elapsed.
  2. If the work be delayed by :

a) Force majeure of

b) Serious loss or damaged by fire or

c) Delay of the part of other contractor or company / corporation in executing work not forming part of contractor

d) Non availability / release of the machine which is the responsibility of the company /corporation.

e) Any other cause which is the absolute direction of accepting authority is beyond contractor's control.

Then upon the happening of any such delay the contractor shall immediately give notice where of in writing to the  Engineer-in-charge but shall never the less use constantly his best endeavours to prevent or mark good the delay and shall be all  that may be reasonably required to the satisfaction of the Engineer-in-charge to proceed with the work.

* 1. Request  for  extension of time to be eligible for consideration shall be made by the contractor in writing  within  fourteen days  of  the happening of the event causing delay. The contractor may also, if practicable, indicate in such a  request

 the period for which the extension is required.

* 1. The accepting authority may give a fair and reasonable extension of time for completion of work. Such extension shall be communicated to the contractor by the Engineer-in-charge in writing with in one month of the date of receipt of such request.

9. The contractor shall engage sufficient staff either through direct employement or through sub-contractor where such subletting is  permitted to maintain the required rate of progress and of quality to ensure workmanship of the degree, specified in  the contract and to the satisfaction of the Engineer-in-charge. The contractor shall not employ in connection with the work, any person who has not completed his 15 year of age.

9.1. The  contractor  shall  furnished to the Engineer-in-charge a complete list of the persons engaged on  the  work  giving  the following details.

(a) name (b) age (c) Trade

Change over subsequently if any shall be furnished by the contractor to the Engineer-in-charge.

9.2. The contractor, shall comply with the provisions of the payment of wages/Act 1936, minimum wages act 1948 Employees Liability Act  1938,  Workman's compensation Act 1923. Industrial Disputes Act 1947. Maternity Benefit Act 1961  or  any  modifications there/of or any other rules relating there to and rules and regulations from time to time.

9.3 The  contractor  shall indemnity the company / corporation against any payment to be made under and for  observances  of  the regulations aforesaid without prejudice to his right to claim indemnity from this sub-contractors.

1. **Safety Code**:-The  contractor shall, at his own expense arrange for the safety \ provisions as required by the Engineer-in-charge in  respect of all worker directly or indirectly employed for the work and shall provide all facilities in connection there with. In case the  contractor fails, to make arrangements and provide necessary facilities, the Engineer-in-charge shall be entitled to  do so, and recover the cost there of, from the contractor.
2. **Nuisance**:- The  contractor  shall  not at any time do cause or permit any nuisance on the work site or do any thing  which  shall  cause unnecessary disturbance or convenience to other workers.
3. **Worker Insurance**:- Contractor shall insure their men as per the workman's compensation act.
4. **Contractor's Supervisions**:-

The  contractor  shall  either  himself supervise the execution of the work or shall appoint competent  man  approved  by  the Engineer-in-charge to act on his behalf.

1. **Inspection and Approval**:- All  work  embracing  more  than  one  process shall be subject to examination & approval at  each  stage  there  of  and  the contractor(s) shall given due notice to the Engineer-in-charge or his authorized representative when each stage is ready.

14.1. No  work  shall be covered up or put out of view without the approval of Engineer-in-charge, or his  representative  and  the contractor shall afford full opportunity,

for examination of any work which is about to be covered up or put out of view.  In the event of the failure of the contractor to do as aforesaid if required by Engineer-in-charge, he shall uncover such  work at contractor's own expenses.

14.2. Removal of workers: The  contractor shall employ for the execution of the works only such persons as are skilled and experienced in their  trades and  the  Engineer-in-charge  shall be at liberty to object and require the contractor to remove from the  work  any  person employed by the contractor for the execution of the work, who in the opinion of Engineer-in-charge misconducts himself or  is incompetent  or  negligent in performance of his duties, and such persons shall not be re-employed for the work  without  the written permission of the Engineer-in-charge.

15. **Work during the Night, weekly off and Holiday**:-

No  work  shall be carried out during night, factory weekly off and public holidays without the prior  written  permission  of Engineer-in-charge.

16. **Compensation for delay**:-

If the contractor fails to maintain the required progress in terms of condition 13 or to complete the work and clear the site on or before the contract or extended date-period of completion, he shall, without prejudice to any other right or remedy  of the  company/corporation on account of such breach, pay as agreed compensation amount calculated as stipulated below or  such smaller amount as may be fixed by the authority mentioned on schedule 'F' in the contract value condition 13 or that the work remains incomplete. This will also apply to items or groups of items for which separate period of completion has been specified.For this purpose the term 'Contract Value' shall be the value at contract rates of the work as ordered.

a. Completion period (as originally-stipulated) not exceeding 6 months. @1 percent per week

b. Completion period (as originally-stipulated) exceeding 6months and not exceeding 2 years. @1/2 percent per week

c. Completion period (as originally-stipulated) exceeding 2 years. @1/4 percent per week

16.1. Provided  always that the total amount of compensation for delay to be paid under this condition shall not exceed  the  under noted  percentage  of the Contract Value of the item of group of items of work for which a separate period of completion in given:-

a. Completion period (as originally-stipulated) not exceeding 6 months, 10 percent

b. Completion period (as originally-stipulated) exceeding 6 months and not exceeding 2 years. 7& 1/2 percent

c. Completion period (as originally-stipulated)exceeding 2 years. 5 percent

17.  **Terms of Payment**:

**. i)** The Payment shall be made after the completion of work and submission of Bill after every month through running bills as certified by Engineer In Charge. Payment will be made on the basis of rate of PM done of the Shutters, gate & Megadoors.

**ii)** Income tax will be deducted from the bills as applicable.

iii) **Penality Clouse:** Delay in execution of work may cause penalty of ½% of contract value per week upto a maximum of 10% of contract value .**GST extra will be charged.**

**13**. The party must have phone & mobile facility for effective communication during the entire period of contract.

**14**. BHEL reserves all right to cancel/reject any part or full tenders without giving any reasons and any prior notice.

**15.** Tenderer has to make provision for uniform (Shirt & Trouser), Safety shoes, Safety helmet, Apron, Hand gloves, fume/ acid masks etc. and photo identity card for the staff deployed during the period of contract.

**16.Bonus Clouse:**

Price shall be quoted by bidders including Bonus. Bonus shall be payable as per Payment of Bonus Act 1965, on actual basis for the contract period on submission of proof of payment with the last bill of the contract and shall be restricted to the amount **of Rs 33.65/per per day for SKILLED WORKER, Rs 29.24/per per day for SEMI SKILLED** **WORKER AND** **Rs 26.49/per day FOR UNSKILLED WORKER** as applicable. Instant arrangement nowhere intends to affix responsibility of payment of bonus on BHEL

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18. **Defects Liability Period Guarantee**:

a. The  contractor  shall guarantee the executed work for satisfactory performance for six months from the date of  handing  over with any major impairment to the accuracies and performance excluding mal-operations and accidents.

18.1. If  any  defect  is noticed during the six months period of Guarantee contractor is liable to rectify the same  free  of  cost within a fortnight from the receipt of the intimation.

19.Defects Liability period-guarantee the executed work for the satisfactory performance for six months from the date of  handing over with any major impairment to the accuracies and performance excluding mal operations and accidents.

19.1.If  any  defect is noticed during the six months period of Guarantee, Contractor is liable to rectify the same  free  of  cost within a fortnight from the receipt of the intimation.

20. **Cancellation of contract in full or part**:

If the contractor:-

a.At  any  time makes default in proceedings with the work with deligence and continues to do so after a notice  in  writing  of 7 days from Engineer-in-charge or,

b.Commits default in complying with any of the terms and conditions of the contract and does not remedy it or take effective steps to remedy it within 7 days after a notice in writing is given by Engineer-in-charge in that behalf or,

c. Shall offer or give or agree to give to any person in M/s BHEL, Bhopal services are to any other person on his behalf any gift or consideration of any kind as on inducement or reward for doing or for hearing to do for having done or for borne to do  any other contract for the Company / corporation or,

d. Shall  obtain  a  contract  with  the  Company/ or Corporation as a result  of  retendering  or  other  non-bonafide  methods, competitive tendering then the Accepting Authority may without prejudice to any other right to remedy, can cancel the contract in full of part.

1. Arbitration and law:Except  where  otherwise provided for the contract, all questions and disputes relating to the meaning of  the  specifications design, drawings and instructions here in before mentioned and as to the quality of workmanship or materials used on the  work or  as to any other question, claim, right matter or thing whatsoever in any way arising out of or relating to  the  contract, design,  drawings, specifications, estimates, instructions, orders, or these conditions, or otherwise concerning the works  or the execution or failure  to  execute the same whether arising during progress of the wprl pr after  the  completion  orabandonment  there of shall be referred to the sole arbitration of the General Manager of BHEL and if the Gereral Manager,  is unable  or unwilling to act, to the sole arbitration, of some other person appointed by the General Manager willing to act  as such arbitrator.There will be no objection if the arbitrator so appointed is an employee of BHEL and that he had to deal  with the  matters to

which the contract related and that in the course of his duties, as such had expressed views on all or any  of the matters in disputes or difference. The arbitrator to whom matter is originally referred being transferred or vacating  his office or being unable to act for any reason, such General Manager as aforesaid at the time of such  transfer  vacation  of office  or inability to act, shall appoint another person to act as arbitrator in accordance with the terms of the  contract, such person shall be entitled to proceed with the reference from the stage at which it was left by his predecessor. It is also a  term  of  this contract that no person other than a person appointed by such General Manager as  aforesaid  should  act  as arbitrator  and if for any reason, that is not possible, the matter is not to be referred to arbitration at all. In  all  case where the amout of the claim in dispute is Rs.50,000/- (Rupees fifty thousand only) and above, the  arbitrator  shall  give reason for the award. Subject  as aforesaid the provision of the arbitration Act, 1940 or any statutory modification reconditioning or  re.enactment there of and the rules made there under, and for the time being in forces shall apply to the arbitration proceeding under this clause.

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

The  work  under the contract shall if reasonably possible continue during the arbitration proceedings and no payment  due  or payable to the contractor, shall be with held on account of such proceedings.

The arbitrator shall be deemed have entered on the reference on the date he issues notice to both the parties fixing the  date of  first hearing. The arbitrators shall give a separate award in respect of each dispute or difference referred to them.  The venue  of arbitration shall be such place as may be fixed by the arbitrator in his sole discretion. The award of the  arbitration shall be final, conclusive and binding all parties to this contract.

1. **Jurisdiction**:-The jurisdiction in all cases shall be at Bhopal alone.
3. **Force Majeure clause**
4. “Notwithstanding anything contained in the contract, neither BHEL nor the Contractor shall be held responsible for total or partial non-execution of any of the contractual obligations, should the obligation become unreasonably onerous or impossible due to occurrence of a 'Force Majeure' which directly affects the obligations to be performed by the BHEL or the contractor; Such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosion, epidemics, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities; over which the BHEL or the contractor has no control.
5. The party claiming to be affected by force majeure shall notify the other party in writing without delay, within two weeks from the occurrence of such situation and on the cessation thereof. Extension of time sought by the contractor along with supporting evidence and so granted by BHEL for the work affected, if any, shall not be construed as waiver in respect of remaining execution. Rescheduling of execution on account of force majeure conditions, if so agreed by BHEL, will not entail the contractor to claim any increase in the price on whatsoever account.
6. Notwithstanding above provisions, BHEL shall reserve the right to cancel the Contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements. If deemed necessary, BHEL may takeover partly processed work at a mutually agreed price”

**Short closure clause**

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

**Following Risk and cost clause**

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

Signature of the -------- Signature of the --------

issuing officer Contractor

Date:.............. Date:................