

**GENERAL TERMS AND CONDITIONS****1. DEFINITIONS**

- a) “Company” shall mean Bharat Heavy Electrical Limited Bhopal, a company incorporated under the companies Act’ 1956, and having its registered office at BHEL House, Siri Fort, New Delhi – 110045 here in after referred to as BHEL and includes a duly authorized representative of the company or any other person empowered in this behalf by the company to discharge all or any of its functions.
- b) “Accepting Authority” shall mean the Head of the WE&CS – Mechanical Section or any other person authorized by him.
- c) “Contract” shall mean the notice inviting Tender and acceptance thereof & formal agreement if any, executed between Bharat Heavy Electricals Ltd. Bhopal & contractor together with documents referred to therein including these conditions, & any special conditions, specifications, designs, drawings etc. These documents taken shall be deemed to form one contract and shall be complementary to one another.
- d) “Contractor” shall mean the individual or firm or company whether incorporated or not, undertaking the work & shall include legal representatives of such individual or persons composing such firm or incorporated company or successors of such person, as the case may be and permitted of such individual or firm or company.
- e) “Contract sum” shall mean the lump sum for which the tender is accepted in the case of lump sum contract and in the case of item rate the total cost of the works arrived after extension of quantities shown in schedule of quantities by the item rates quoted by the tenderer for various item.
- f) “Day” shall mean a day of 24 hours from midnight to mid night, irrespective of the number of hours worked in that day.
- g) A week shall mean seven days without regard to the number of hours worked in any day in the week.
- h) “Work” shall mean work to be executed in accordance with contract or part(s) thereof as the case may be and shall include all extra, additional, altered or substituted Work or temporary & urgent work as required for performance of contract.
- i) “Engineer-in-Charge” shall mean the Engineering officer appointed by the Accepting Authority, who shall direct, supervise & be in-charge of work for purpose of contract.

**2. CONTRACT DOCUMENTS**

The contractor shall be furnished free of charge, two Certified true copies of the contract documents. He shall keep one copy of this document on the site in good order, and the same shall as all, reasonable times, be available or inspection and use by the Engineer-in-charge, his representatives or by other Inspecting Officers.

- a) None of the documents shall be used by contractor for any purpose other than that of this contract.

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- b) 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, applies to them and shall continue so to apply even after the execution of such work under the contract.

**3. WORK TO BE CARRIED OUT**

The detail scope of work (annexure-I) is provided with contract document. Scope to provide tools and tackles required to carry out work will be as per scope of work.

**4. INSPECTION OF WORK BEFORE SUBMISSION OF TENDER**

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

**5. SUFFICIENCY OF THE 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 obligation under the contracts all matters and things necessary for the proper completion and maintenance of the works.

**6. DISCREPANCIES AND ADJUSTMENT OF ERRORS**

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

**7. EARNEST MONEY DEPOSIT**

- a) Earnest Money is to be paid by each Tenderer. The rate of earnest Money deposit shall be as per mentioned in NIT.
- b) Mode of Deposit :
- i) Cash deposit as permissible under the extant Income Tax Act (before tender opening).
  - ii) Electronic Fund Transfer credited in BHEL account (before tender opening).
  - iii) Banker's cheque / Pay Order / Demand Draft, in favour of BHEL (along with offer).
  - iv) Fixed Deposit Receipt (FDR) issued by Schedule Banks / Public Financial Institutions as defined in the companies Act (FDR should be in the name of the contractor, a/c BHEL).

In addition to above, the EMD amount in excess of ₹ 200,000/- (Two Lakhs) may also be accepted in the form of Bank Guarantee. The Bank Guarantee in such cases shall be valid for at least six months.

- c) EMD can also be deposited in electronic mode and the procedure of depositing EMD is as follows:
- i. For depositing amount online, depositor has to visit SB-Collect through Online E-Payment option available on Internet ([www.bhelbpl.co.in](http://www.bhelbpl.co.in) under caption new link). After reading the instruction for depositing the amount, open SBI's SB-Collect site. Please select State of Corporation as "Madhya Pradesh" and type of Corporation as "Industry" and then click on "Go" appears on the

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screen. Now select “Bharat Heavy Electricals, Bhopal” from the dropdown table appears against “Industry Name” and click Submit. Now select category from the dropdown table appears against “Select category” under which you need to deposit amount in favour of BHEL, Bhopal.

- ii. EMD and Tender Fee may please be deposit together under EMD module where the EMD & Tender Fee both are applicable.
- iii. After the successful payment, DU no. shall be generated by the banking system.
- iv. After depositing the amount, Depositor has to fill Deposit slip available on Internet ([www.bhelbpl.co.in](http://www.bhelbpl.co.in) under caption new link) by selecting required Enquiry number. Tender Fee and EMD may please be enter separately.
- v. As and when credit received in BHEL account, automatic mail will be sent to the depositor.
- vi. After submission of deposit slip, a control number will be generated through system which can be used for getting print out from system.

EMD by the Tenderer will be forfeited as per tender documents. If:

- i) After opening the tender, the tenderer revokes his tender within the validity period or increases his earlier quoted rates.
- ii) The tenderer does not commence the work within the period as per LOI /Contract. In case the LOI / Contract is silent in this regard, then within 15 days after award of contract.

EMD shall not carry any interest.

**8. SECURITY DEPOSIT (SD)**

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.

The Security Deposit will be collected before start of the work by the contractor. Security

Deposit may be furnished in any one of the following forms:-

Cash (As permissible under the extant Income Tax Act)

Local cheques of scheduled bank (subject to realization)/ pay order/ demand draft/ electronic fund transfer in favour of BHEL

Bank guarantee from Scheduled banks/ Public finance institutions as defined in companies act. Bank guarantee format should have the approval of BHEL.

Fixed deposit slip issued by Scheduled banks/ Public finance institutions as defined in companies act. (FDR should be in the name of the contractor, a/c BHEL).

Securities available in Indian post offices such as national saving certificates, Kisan Vikas patras etc. (held in the name of contractor furnishing the security and duly endorsed / hypothecated/ pledged, applicable , in favour of BHEL.

(Note:- BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or any matter connected therewith)

Security Deposit can also be recovered from the running bills. However in such cases at least 50% of the SD should be collected before start of work and the balance 50% may be recovered from the running bills.

EMD of the successful tenderer shall be converted & adjusted against the SD. The Security Deposit shall not carry any interest.

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Deducted Security Deposit will be refunded to the tenderer after the completion of the work. In the meantime any discrepancy is found in the work the SD can be detained for further period or may be forfeited. This Security Deposit shall be liable to be returned to the contractor after termination of the contract or at the end of it, subject to deduction on account of company dues, non-deposit of statutory dues etc. no interest shall be payable on S D.

Electronic transfer: The procedure of depositing SD is as follows:

- i. For depositing amount online, depositor has to visit SB-Collect through Online E-Payment option available on Internet ([www.bhelbpl.co.in](http://www.bhelbpl.co.in) under caption new link). After reading the instruction for depositing the amount, visit SBI's SB-Collect site. Please select State of Corporation as "Madhya Pradesh" and type of Corporation as "Industry" and then click on "Go" appears on the screen. Now select "Bharat Heavy Electricals, Bhopal" from the dropdown table appears against "Industry Name" and click Submit. Now select category from the dropdown table appears against "Select category" under which you need to deposit amount with BHEL, Bhopal.
- ii. After the successful payment DU no. shall be generated from the banking system.
- iii. After depositing the amount, Depositor has to fill Deposit slip available on Internet ([www.bhelbpl.co.in](http://www.bhelbpl.co.in) under caption new link) by selecting required Enquiry number.
- iv. As and when credit received in BHEL account, automatic mail will be sent to the depositor.
- v. After submitting the deposit slip a control number will be generated through system which can be used for getting print out from system.

***(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).***

#### **9. TIME AND EXTENSION FOR DELAY**

The time allowed for execution, which shall be mutually agreed between BHEL and contractor, and mentioned in Work Order, along with these conditions shall be of the essence of the contract. The execution of work shall commence immediately and not later than 15th day after the date on which the Engineer-in-charge issues written order to commence work or from date of handing over the plant whichever is later unless specified otherwise elsewhere. If contractor commits default in commencing the execution of work as aforesaid, Company/Corporation shall without prejudice to any other right or remedy be at liberty to cancel the order and forfeit the earnest money/ security Deposit.

As soon as possible after the contract is awarded, the Engineer-in-charge and the contractor shall agree upon a time and progress chart. The chart shall be prepared in direct relation to the time stated in the contract document for completion of work.

It shall indicate forecast of dates of commencement & completion of various activities to be done for completion of work as per contract. This may be amended as necessary by agreement between Engineer-in-charge & contractor within limitations of time imposed in contract document & further to ensure good progress during execution of work.

If the work is delayed by :

- a) Force majeure, or
- b) Serious loss or damage by fire, or
- c) Delay on the part of other contractor or company/ corporation in executing work not forming part of contractor.
- d) Non-availability / release of the machines which is in the responsibility of company / corporation or,

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- e) Any other case, which is in the absolute discretion of the accepting authority and is beyond contractor's control.

Then upon the happening of any such delay, contractor shall immediately give notice thereof in writing to the Engineer-in-charge but shall never lose constantly his best endeavors to prevent or make good the delay and shall do all that may be reasonably required to the satisfaction of the Engineer-in-charge to proceed with the work.

Request for extension of time to be eligible for consideration shall be made by the contractor in writing within seven 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.

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

**10. INSPECTION AND APPROVAL**

- a) All work embracing more than one process shall be subject to Examination and approval at each stage thereof and the contractor shall give due notice to the Engineer-in-charge or his authorized representative when each stage is ready.
- b) 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.
- c) Company officer concerned with the contract shall have powers at any time to inspect and examine any part of the work and the contractor shall give such facilities as may be required for such inspection and examination.

**11. COMPENSATION OF DELAY**

- a) If the contractor fails to maintain fulfill schedule as per work order and fails to start the work as per schedule date given by BHEL and fails to maintain the required progress in work as per terms of Work Order, he shall without prejudice to any other right or remedy of company/ corporation on account of such breach, pay as agreed compensation amount calculated as stipulated below:
- b) 0.5% (Half) percent per week of contract value.
- c) Provided always that the total amount of compensation for delay to be paid under this condition shall not exceed 10% of the total contract value.

**12. CONTRACTOR'S LABOUR / WORKER WHILE WORKING INSIDE**

- a) The contractor shall ensure sufficient staff of the quality to ensure work-man-ship of the degree specified in the contract and to the satisfaction of the Engineer-in-charge. Contractor shall not employ indirectly or through sub-contractor any staff what-so-ever. Written consent of the contractor in this behalf has to be incorporated in to the offer, or otherwise the Contract is liable to be rejected.
- b) Contractor shall furnish to Engineer-in-charge a complete list of persons engaged on the work giving the following details.
  - a) Name
  - (b) Age
  - (c) Trade

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

- c) Contractor shall comply with Contractor's Obligations & Statutory Compliances for work contract as per Annexure-IV & it shall be the part of agreement of this contract.

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**13. NUISANCE**

Contractor shall not any time do, cause or permit any nuisance on the work site or do anything shall cause unnecessary disturbance or inconvenience to other workers.

**14. GENERAL TERMS**

- a) BHEL shall have the privacy 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.
- b) 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.

**15. TERMS OF PAYMENT : Payment shall be as per NIT terms and condition .**

**16. DEFECTS LIABILITY PERIOD – GUARANTEE**

Not Applicable.

**17. RIGHTS & OBLIGATION OF BHEL**

- a) In case the contractor does not carry out the Contractual/Statutory obligations or the services rendered by him are found to be unsatisfactory, BHEL shall bring the same to his notice and he will be obliged to discharge the obligations and rectify the deficiency/anomaly within three days time failing which, BHEL reserves the right to terminate the contract without assigning any reason whatsoever. In such an event, no damages will be payable for short closure of the contract.
- b) If the Contractor commits default in complying with any of the terms conditions of the contract and does not remedy it or take effective steps to remedy in within three days after a notice in writing is given by Engineer-in-charge failing which BHEL reserves the right to terminate the contract without giving any reasons thereof.
- c) Cancellation of contract may be either for whole or part of contract at BHEL's option. In event of termination of contract in whole or part BHEL may procure upon such terms and in such manner as deemed appropriate, supplies or services similar to those so terminated and contractor shall be liable to BHEL for any excess costs for such similar supplies or services provided that the contractor shall continue the performance of this contract to extent not terminated under provision of this clause.
- d) The decision of BHEL regarding interpretation of any terms and conditions set forth in the Agreement shall be final and binding on the contractor. The award of the arbitrator shall be final and binding on both the Parties. The venue of the Arbitration shall be Bhopal in India.
- e) The Award to be given by the Arbitration shall be a speaking award. All questions, disputes, differences arising under, out of or in connection with this contract shall be to the exclusive jurisdiction of Bhopal Courts.

**18. TAXES**

Goods and Service Tax (GST) or any other new tax introduced by GOI shall be considered as applicable. Any loss/delay of tax credit to BHEL shall be recovered from contractor if the reason

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for the same is attributable to contractor. Income Tax deduction at source will be as applicable from time to time.

**19. ARBITRATION & LAW**

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 of an arbitrator 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 re- enactments 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 terms of clause as mentioned 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 this Contract.

**20. CONCILIATION CLAUSE FOR CONDUCTING CONCILIATION PROCEEDINGS UNDER THE BHEL CONCILIATION SCHEME, 2018**

The Parties agree that if at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which term shall mean and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the agreement, contract or the Memorandum of Understanding (delete whichever is inapplicable), which the Parties are unable to settle mutually), arise inter-se the Parties, the same may, be referred by either party to Conciliation to be conducted through Independent Experts Committee to be appointed by competent authority of BHEL from the BHEL Panel of Conciliators.

Notes:

1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.
2. Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in Annexure----- to this GCC.

The Annexure-----together with it's appendices will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these GCC.

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ANNEXURE-D

***Terms and conditions related with GST compliance :-***

1. Wherever 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 the 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.

All invoice raised by contractor /vendors must be GST compliant Tax invoices as per GST invoice rules.

Contractor declaring such invoice in his GSTR-1 or any modified return as notified by government

Receipt of goods/ services and Tax invoice by BHEL and Confirmation of payment of GST thereon by contractor on GST portal

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.

Contractor has to give an undertaking to BHEL that they have declared invoice in his return and paying GST within time line prescribed for availing ITC by BHEL payment to contractor for GST portion will be released 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 invoice or expiry of the timeline prescribed in GST Law for availing such ITC , or any other reasons not attributable to BHEL, GST amount shall be recoverable from the contractor along with interest levied/ payable on BHEL.

Reverse Charge under GST

5A. In respect of services, reverse charges liability shall arise at the earliest or 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. Recover any interest or penalty implication attributable to the contractor shall from them.

5B 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 leviable for the period between the date of such liability and actual date of eligibility of ITC based on receipt of goods , receipt of invoice and other condition specified in GST Law.

Liquidated Damage/penalty

6. Liquidated Damage (LD) or penalty if chargeable from suppliers/contractors as per NIT, applicable GST will BE CHARGED IN ADDITION TO THE SAME.

Sign and seal of contractor





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ANNEXURE:D

INSTRUCTIONS TO CONTRACTORS STATUTORY

COMPLIANCES TO BE ENSURED

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/ESI challans of the amount .....  
(in words.....) pertains to my workers, whose  
names are appearing in the wage sheet of the month .....20..... and these workers are  
engaged in ..... (type of work)  
against work order no. .... in .....  
(name of department).***

**Signature of Contractor**



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**ANNEXURE-D**

**STATUTORY INSTRUCTIONS TO CONTRACTOR**

**STATUTORY REGISTRATIONS AND CLEARANCES**

Contractor shall commence the work only after obtaining :

- Labour Licence
- Provident fund code no.
- ESI code no
- Registration no.

Notice of commencement in Form 6-A & Maintain Register of workers in form 13.

**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 of Statutory Minimum Wages as well as additional wages recommended by BHEL through bank account only.
14. 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.

**4.0 ON COMPLETION OF WORK**

Submit PF & inspection report

**Signature of Contractor**



