



BHARAT HEAVY ELECTRICALS LIMITED,
Electroporcelains Division, Malleswaram,
Bangalore - 560 012

**TENDER
DOCUMENT
(PART – A)**

- 3.1.14. The Contractor shall have appropriate financial resources to handle the contracts. For this purpose, the eligibility of the contractor will be decided based on the **Bankers Solvency Certificate provided by the Tenderer** at the time of submission of Tender. Solvency certificate for a value equal to 10% or more of estimated contract value is to be submitted.
- 3.1.15. Also Further, (i) Average Annual Financial turnover during the last 3 years ending 31st March of the previous year, should be at least 30% of the estimated cost. AND
(ii) Experience of having successfully completed similar works during last 7 years ending last day of month previous to the one in which applications are invited should be either of the following:
a. Three similar completed works costing not less than the amount equal to 40 % of the estimated cost,
Or
b. Two similar works costing not less than the amount equal to 50% of the estimated cost
Or
c. One similar completed work costing not less than the amount equal to 80% of the estimated cost.
(iii) Contractors not having requisite experience in similar works will be rejected.
- 3.1.16. In the event of any Contractor falling short of the Solvency Limit as fixed by BHEL-EPD under 3.1.14 and 3.1.15 above, while participating in Tender(s) floated in EPD, it would be deemed that the Contractor does not have the requisite financial resources to execute further contracts. As such, the Price Bid(s) of such Contractor(s) falling short of the limit indicated in para 3.1.14 & 3.1.15 above, will not be opened and further participation in the tender would be treated as null and void. In all such cases of rejection of Price Bids, the EMD amount would be refunded by BHEL within 15 days of acceptance of award of work by the successful tenderer.
- 3.1.17 **NON DISCLOSURE AGREEMENT:** Vendor/Lessor shall sign a Non-Disclosure Agreement (NDA) as per BHEL format (Copy enclosed) in compliance to Information Security Management System.
- 3.1.18. **CONFIDENTIALITY:** Vendor/Lessor and its representatives shall, at all times, undertake to maintain complete confidentiality and integrity of all data, information, software, drawings & documents, etc. belonging to the purchaser / Lessee and also of the Systems, procedures, reports, input documents, results and any other company documents discussed and/or finalized during the course of execution of the order/contract.

3.2 EARNEST MONEY DEPOSIT (EMD):

- 3.2.1 Earnest Money Deposit as indicated in the NIT is to be submitted along with tender documents Part – A. EMD is payable in Cash (as permissible under Income Tax Act), Pay order or Demand Draft favouring BHEL, EPD payable at Bangalore. 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.
- 3.2.2 Tenders without EMD are liable to be rejected.



3.2.3 EMD shall not carry any interest nor confer any right for award of contract.

3.2.4 EMD given by all unsuccessful tenderers shall be refunded normally within fifteen days of acceptance of award of work by the successful tenderer.

3.3 SECURITY DEPOSIT (SD) :

3.3.1 Successful tenderer has to submit Security Deposit (SD) at the rate of 5% of the contract value.

3.3.2 Security Deposit is accepted in any one of the following forms :

- i) Cash (as permissible under the Income Tax Act)
- ii) Pay Order, Demand Draft in favour of BHEL
- iii) Local cheques of scheduled banks, subject to realization.
- iv) Securities available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. (Certificates should be held in the name of Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).
- v) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL.
- vi) Fixed Deposit Receipt issued by Scheduled Banks/ Public Financial Institutions as defined in the Companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
- vii) Security deposit can also be recovered at the rate of 10% from the running bills. However in such cases at least 50% of the Security Deposit should be collected before start of the work and the balance 50% may be recovered from the running bills. (Note: In case of small value contracts not exceeding Rs. 20 lakh and all SAS jobs, work can be started before Security Deposit is collected. However, payment can be released only after collection/ recovery of initial 50% Security Deposit).
- viii) EMD of the successful tenderer can be converted and adjusted against the security deposit.
- ix) The security deposit shall not carry any interest.
(Note: Acceptance of Security Deposit against Sl. No. (iv) and (vi) above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith).

3.3.3 Failure to pay the security deposit shall be treated as failure to discharge the duties under the contract and shall result in cancellation of the contract awarded and the tenderer shall be liable to compensate the losses if any incurred by BHEL on this account. The security deposit shall be refunded only after the expiry of contract period subject to the contractor fulfilling all obligations and operations as required under the contract.

3.3.4 BHEL reserves the right to appropriate the whole or any part of the amount of the security deposit without prejudice to other claims against the contractor for losses suffered by BHEL due to failures on the part of the contractor or due to termination of contract or contractor becoming disqualified because of liquidation and other reasons. Such losses, damages, charges, expenses or cost, as assumed by BHEL shall be final and binding the contractor and shall not be called into question.

3.4 STATUTORY REQUIREMENTS:

3.4.1 While quoting the rate, the tenderers are advised to take note of minimum wages payable to workmen.



- 3.4.2 The tenderer will be required to comply with all the statutory provisions such as Bonus, PF, EDLI, ESI, Gratuity, Service Tax, minimum wages prevailing at the time of payment or arrears thereof, declared Holidays, leave, travelling allowance, attendance bonus etc. The contractor shall submit the documentary evidence of payment on account of submission of statutory payments made to the concerned agencies before clearance of bill of next month.
- 3.4.3 The tenderer shall comply with the provisions of the Factories Act 1948, Contract Labour (Regulation and Abolition) Act 1970, ESI Act, Employees Provident Fund and Miscellaneous Act 1952, Minimum Wages Act 1948, Payment of Gratuity Act 1972, Industrial Disputes Act, 1947, Employers Liability Act 1938, Inter State Migrants Workmen (Regulation of employment and conditions of Service) Act 1979 and or any other Laws and Rules that may be applicable from time to time to the workers engaged by him. The tenderer, when required by the Company shall produce the registers and records for verification and comply with other directions issued by the company for compliance of the statutory provisions.
- 3.4.4 The tenderer shall fully indemnify the loss if any caused to BHEL due to any default or non-observance of any of the laws, or any omission or commission or inability on the part of the Tenderer or his representative.
- 3.4.5 The tenderer shall, keep and produce for inspection at all times, forms, registers and other records required to be maintained under various statutes in order to enable scrutiny by the Company whenever required.
- 3.4.6 The tenderer shall produce to the Company, the documentary proof of payment of the said statutory dues. Non-observance of the provisions will be construed as default by the Tenderer in making such payment, and payment of his bill will be deferred.
- 3.4.7 The Income tax as applicable will be deducted from the bill of the contractor.
- 3.4.8 Each tenderer will be required to maintain the daily attendance of his labours in the prescribed Performa for accounting payment of minimum wages, deduction towards ESI & PF Contributions, payment of Bonus, leave etc.
- 3.4.9 The tenderer will have to follow the provisions of Payment of Bonus Act 1965 and Rules 1975, and is liable to pay Bonus to his workers. Minimum prescribed bonus at present is 8.33% of annual wages subject to a maximum wage ceiling of Rs.3500/- per month. However, the quantum of Bonus payable by the tenderer to his workmen will be decided by BHEL in line with statutory requirements.
- 3.4.10 The tenderer will have to extend paid National Holidays and Festival Holidays to their workmen as per the provisions of the relevant Act and the Rules thereof. However, if due to exigencies of work the contractor engages his workmen on National Holidays or Festival Holidays contractor shall pay additional wages as prescribed under the provisions of the Act.

3.5 Manpower:

- 3.5.1 The Contractor shall provide the required manpower for executing the contracted work. The contractor shall not engage a person who is less than 18 years of age and more than 60 years of age.
- 3.5.2 The number of Workmen deployed by the Contractor should not exceed 08 (eight) for this contract.



- 3.5.3 The contractor shall be responsible for safety of his laborers while they are engaged for work connected with the contract. BHEL, in order to ensure the quality and uniformity of the safety appliances, will provide the same as per requirement to the contractor for distribution to his workmen who are engaged in the premises. The Contractor shall be responsible for the appropriate usage of the said safety appliances.
- 3.5.4 The contractor, as the employer of his workmen, shall manage them. In the event of any dispute arising between the Tenderer and his employees, the Tenderer alone is solely responsible for resolving the dispute between them and BHEL will in no way be responsible for settling the dispute either statutory or otherwise.
- 3.5.5 The contractor will be solely responsible for executing the agreed work and the employees of BHEL will only oversee the proper execution of work. The contractor or his representatives shall be available in the factory to control and supervise his workers and take down instructions from the designated officials of BHEL. The cost of deployment of Supervisor has to be borne by the Contractor.
- 3.5.6 The contractor shall have full control over his employees including w.r.t determining service conditions, discharge, dismiss, or otherwise terminate their services at any time. However, the contractor shall not engage any person who has completed 60 years of age. Further, retired employees of BHEL with specialized skills may be engaged upto 65 years with the specific approval of BHEL. The contractor shall be solely responsible for any claim arising out of employment or termination of employment of his employees and for statutory payments.
- 3.5.7 The contractor shall employ only such personnel who are medically fit. The company has right to direct the contractor to remove from the premises such of his personnel who may be physically, hygienically, clinically or medically unfit.
- 3.5.8 The contractor shall employ only such personnel who have not been found unfit for employment in Organizations such as Central/State/Public Undertakings by the Police authorities. Persons against whom criminal cases are pending or under investigation and persons found guilty of offences involving moral turpitude shall not be engaged for executing work.
- 3.5.9 The Contractor shall comply with all the operational rules and regulations, including safety and security rules framed by the company from time to time wherein the Contractor or his workmen happen to be operating/ working. In the event of any of the workmen of the contractor violating any of the said rules and regulations, the Contractor would be required to remove forthwith such workmen from the company's premises.

3.6 PERIOD OF CONTRACT

- 3.6.1 The contract shall be for a period of **TWO Years**.
- 3.6.2 BHEL may short close/terminate the contract with 3(three) months notice period with no cost implication to BHEL.**
- 3.6.3 The parties, if mutually agreed upon, may extend the period of contract for a further period of one or two years on the same terms and conditions with same price (without any increase over and above the Annual contract value).



3.7 FAILURE TO COMPLY WITH CONTRACT

- 3.7.1 Notwithstanding anything contained in any other clause, BHEL reserves the right to terminate the contract due to any failure on the part of the Tenderer in discharging his obligations under the contract or in the event of his becoming insolvent or going into liquidation. The decision of the BHEL about the failure on the part of the Tenderer shall be final and binding on the tenderer.
- 3.7.2 In case of any damage to the existing building, structures, materials, tools, furniture and fixtures, machines etc., caused from contractor's end, the cost of its repairs or replacement will be recovered from the contractor. If there is any work stoppage in any area of the Plant due to the fault of the tenderer, the tenderer is liable to compensate the same.
- 3.7.3 In the event of any failure on the part of the tenderer, BHEL shall have the right without prejudice to any other right or remedies, to get the work done through any other agency and the Tenderer shall be liable to compensate BHEL for any losses on this account. The additional cost, loss, if any incurred by BHEL will be recovered from the bills, security deposits, other dues as well as directly from the Tenderer.

3.8 PAYMENT TO THE CONTRACTOR

- 3.8.1 The periodicity of payment to the contractor shall be on a calendar month basis. The contractor shall raise the bill for payment as per the contractual terms & conditions mentioned in the contract, which should be duly certified by the BHEL official in charge of the contracted work.
- 3.8.2 The Contractor shall initially pay the wages and other allowances of his workmen and then claim reimbursement from BHEL. The contractors would be required to submit their Claims along with the proof of payment of wages to the respective Departments. The claims will be scrutinized and certified for payment by the respective department and forwarded to Accounts Department through HR for effecting payment.

3.9 SUB-CONTRACTING

- 3.9.1 The contractor shall not sub-contract or transfer or assign the contract in full or any part thereof to any other person or firm or company without the previous express written approval of BHEL.

3.10 LAWS GOVERNING THE CONTRACT

- 3.10.1 The contract will be governed by the Laws of India for the time being in force and as amended or made from time to time.
- 3.10.2 All disputes shall be settled in accordance with the Laws of India for the time being in force and as amended from time to time.
- 3.10.3 All disputes arising out of or in relation to this contract or Agreement shall be settled by mutual discussions and in the event of failure such disputes shall be referred to the Court or mutually agreed Arbitrator.



3.11 LEGAL JURISDICTION:

3.11.1 In respect of all matters arising out of or pertaining to the contract, the cause of action thereof shall be deemed to have arisen only at Bangalore, where BHEL - EPD is situated. All legal proceedings pertaining to the above matters or dispute shall be instituted only in courts having territorial jurisdiction over the place where BHEL-EPD is situated and no other court shall have the jurisdiction.

4.0 DUTIES AND RESPONSIBILITIES OF THE CONTRACTOR:

- 4.1 The duties and responsibilities and obligation of the contractor including statutory responsibilities mentioned in this document is indicative and not exhaustive. Contractors are required to confirm with the concerned authorities for proper and complete compliance.
- 4.2 The contractor will abide by the provisions of Child Labour (Prohibition & Regulation) Rules 1988. He should issue appropriate Appointment Letter to his Workmen.
- 4.3 The following documents / forms under Contract Labour (Regulation & Abolition) Act 1970 and relevant rules therein shall be maintained by the contractor:
- (i) A notice showing the wage period and the place and time of disbursement of wages to be displayed at the place of work and a copy sent by the contractor to the HR Department (Rule 75).
 - (ii) A register of workman From XIII (Rule 75)
 - (iii) Employment card From XIV (Rule 76)
 - (iv) Service Certificate From XV (Rule 77)
 - (v) Muster Roll, Wage Register, Deductions Register, overtime Register Etc.
 - (vi) Half yearly return to be sent (In duplicate) by the contractor to the licensing officer. From - XXIV (Rule 82 (I) with a copy to HRM Department regularly.
 - (vii) All statutory registers and records shall be preserved in original for a period of Ten years and should be made available even after the contract is over for verification.
- 4.4 The contractor shall comply with the provisions of Contract Labour (R & A) Act including provisions relating to welfare and Health facilities as provided under the Contract Labour (R& A) Act 1970 and relevant rules.
- 4.5 All the registered contractors shall submit the returns required under contract Labour (Regulation & Abolition) Act 1970 and forward a copy to HR Department.
- 4.6 EPD – Bangalore is a Notified Area under the provisions for ESI Act 1948. The contractor shall comply with the provision of ESI Act, and will be responsible for any liability arising during the tenure of the work contract under the Act, The contractor should ensure ESI coverage and facilities to his workers (i.e. ESI code no. and ESI card etc.) as per ESI Scheme from ESI authorities including Medical Benefit etc., The contractor shall arrange for filing of family declaration forms in respect of their contract labors and deposit the same in ESI office for issue of Identity card by ESI authorities. The contractor may deduct required ESI contribution from the wages of their employees as per law and deposit the same (Employees share) along with his contribution to the ESI authorities.
- 4.7 Workmen insured under ESI Act only shall be deployed in contract work.
- 4.8 The tenderer shall submit bi-annual return in Form 6 along with monthly Challans to the appropriate authority under the provisions of Employee's State Insurance Act 1948, under intimation to HR Dept.



- 4.9 Not with standing any thing contrary to this, in the event of accident the contractor shall be required to submit injury report to the concerned authorities with a copy of the same to the designated BHEL Executive immediately and ensure the compliance of the ESI Act and rules made therein.
- 4.10 The tenderer shall submit the following returns to the appropriate authority under the provisions of Employee's Provident Fund and Misc. Provisions Act 1952, Employees Pension Scheme 1995 under intimation to HR Dept.
- (i) Monthly return in Form 12 A along with form 5 & 10 (addition and deletion) and monthly Chalan.
 - (ii) Annual Return in Form 6A along with Form 3A.
- 4.11 The Contractor shall maintain the following records as required under the Employees Provident Fund And Miscellaneous Provisions Act 1952, Employee's Pension Scheme 1995
- Declaration of Nomination, Form No.2 Para 33 and 61 (1).
 - Pass Book.
 - Cash Book.
 - Attendance.
 - Wage Register.
- 4.12 The contractor shall regularly pay the amount of contribution (employer's contribution as well as the employee's contribution) as per the Employee's Provident Fund and Miscellaneous Provisions Act 1952, Employees Pension Scheme 1995 and Employee's State Insurance Act 1948.
- (i) The contractor may recover from his workmen, the employee's contribution in accordance with the provision of the said act and the Scheme but shall not recover the employer's contribution or the other charges from his employees in any manner.
 - (ii) The contractor shall submit along with monthly bills to BHEL, statement showing the recoveries of contributions in respect of employees employed by or through him along with the proof of Deposit of such contribution with the Concerned Authority and shall also furnish to BHEL such information, in the capacity of principal Employer, as required to furnish under the provisions of the schemes under the Employees P.F. and Misc. Provisions Act 1952 and ESI Act, 1948 to the authorities under the said acts.
 - (iii) The Contractor shall arrange for his own P.F. and ESI Code No. from the PF and ESI authorities respectively. The contractor will be reimbursed by BHEL the expenditure incurred by the contractor towards payment of the Employers Contribution and PF Administrative charges.
- 4.13 In case of revision of Minimum Wage by the appropriate Govt. after the award of work, contractor will bear the difference of increased wages during the currency of the Contract. Any failure to comply with the statutory requirements on the part of contractor shall disqualify such contractor from all contracts awarded to him and his name shall be black listed for further tenders / contracts. In addition, the contractor's security deposit shall be forfeited apart from consequential legal action against him.
- 4.14 The contractor shall maintain Form D as per Rule 5 of the Payment of Bonus Act, 1965. The contractor is further liable to pay bonus to his employees in accordance with the payment of Bonus Act 1965 and to keep all the records in Form C as per the said Act.
- 4.15 The contractor will be required to contribute towards gratuity payment of his employees (contract workers) required as per Payment of Gratuity Act. Contribution made by the contractor in this regard will be reimbursed on submission of proof. He will also be responsible to pay retrenchment compensation under the Act.



- 4.16 In case the contractor employs women, 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 more than 9 hours per day, provision of crèche facility, grant of maternity leave as per rules etc.,
- 4.17 The Wage period for the Workmen of Contractors shall be Calendar Month and the contractor shall be responsible for making payment of wages within 4 days of the closure of the wage month (on 04th day of the calendar month following the wage month) The disbursement shall be preponed to the 3rd day, if the 4th day happens to be a holiday. Similarly, in case of Overtime wages, the contractor shall make the OT payment to his workmen on or before 15th day of the closure of the wage month (on or before 15th day of the calendar month following the wage month). The Contractor would be required to open an Account for Electronic Fund Transfer (EFT) of his Bills/Claims from BHEL as well as EFT of wages/OT/other payments of his workmen from his Account to the Accounts of his workmen so that risks associated with cash transactions can be avoided.
- 4.18 The Contractor shall be required to issue monthly Wage /OT Slips to their workmen. Further, the Contractors claims are to be accompanied by a Certificate from BHEL Official certifying that "the Wage /OT Slips for the previous month/current month have been issued by the contractor to all their workmen". Further, the contractor would be required to issue Annual PF Statement from the PF Authorities for all his workmen engaged in BHEL Malleswaram Complex before submitting Claim for refund of Security Deposit for the respective years.
- 4.19 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 payable under the contract can be utilized by BHEL to discharge the liability of the contractor.
- 4.20 The workmen of the contractors shall wear uniform while attending duty in BHEL campus. The Contractor/his authorized representative shall ensure wearing of the Uniform by his workmen in the BHEL premises.
- 4.21 This clause is left blank (Not applicable).
- 4.22 The liability for compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
- 4.23 **NATIONAL & FESTIVAL HOLIDAYS** (as declared by BHEL): The contractor will give paid National Holidays and Festival Holidays to the workers as per Section 5 of National and Festival Holidays Act. However, if due to the exigency of work if any of his workmen is required to work on National Holiday or Festival Holiday, the contractor has to pay wages as per Section 5, sub section 2 and 3 of the said Act.
- 4.24 Besides the three national holidays 15th August, 26th January and 2nd October, if Govt. declares any other day as a national holiday same will be treated as paid holiday for the purpose of this contract. Accordingly the contractor shall be required to provide paid holiday to its workers for the same. If any of the contract workmen works on such additional declared national holiday, he will be entitled to additional wage for the said day.
- 4.25 **GENERAL ELECTIONS:** If the general elections are held for State Assembly / Parliament and Government declares a public holiday for exercising the franchise, the contractor shall give their workmen half day leave in "First" shift only. The contractor's workmen working in "Second" and "Night" shifts will be required to exercise their franchise during their own time.