

**BHARAT HEAVY ELECTRICALS LIMITED**  
**RAMACHANDRAPURAM: HYDERABAD-502032**  
**WSC DEPARTMENT**  
**TELEPHONE NO. 040-23185038, 23185253, 23184518**  
**TENDER NOTICE**

**Tender Notice No: HY/WSC/OT/SHOP/2017-18/03 Dt.02.05.2017**

1. Bharat Heavy Electricals Limited, a Government of India Public Sector undertaking having its Registered Office at Siri Fort, New Delhi. BHEL Ramachandrapuram, one of its manufacturing Units, invites sealed bids from eligible /Contractors, who fulfill qualification criteria as stipulated in NIT, for the work, “**Supporting activities in shop**”.
2. Sealed quotations in single cover consisting of two separate sealed covers for Techno-Commercial bid as Part A and Price bid as Part B super scribing the tender reference, tender due date, Name of work, Part Number, Item No. and should reach by 11:00 AM on or before 23.05.2017 at vendor complex, besides administrative building, BHEL Ramachandrapuram. Techno-Commercial bid will be opened at 1.30 PM on 23.05.2017, and if any further information, may be obtained from the office.
3. Tender documents (non-transferable) can purchase on any working day (Monday to Saturday) between 09:00 hrs. to 11:30 hrs and 13:00 hrs to 15:00 hrs from office of the AGM/WSC&SDC, 4<sup>th</sup> floor, Admn Bldg BHEL-HPEP, RC PURAM, HYDERABAD-32 by paying the prescribed Tender fee of Rs.1000/- only (one thousand only) through Demand Draft/ Bankers cheque from any nationalized bank in favor of “BHEL-RC PURAM, HYDERABAD-32”.
4. The tender documents are also available in the BHEL Web Site [www.bhel.com](http://www.bhel.com) under heading Tender Notifications. The interested vendors can directly download the tender documents from the website. However, while submitting the tender documents, a demand draft/Bankers cheque towards cost of tender document should be enclosed to the Techno-commercial bid (part-A). The tender documents downloaded from the website, the Techno-commercial bid (part-A) without demand draft/Bankers cheque for the specific value will be summarily rejected.

Corrigendum if any including extension of due date, clarification etc., will be published in BHEL web site only.

The brief scope of the work and information is provided below:

5. The salient features of the tender documents are as follows:

- i) Notice inviting Tender
- ii) Prequalification requirements
- iii) Instruction to Tenderer
- iv) General terms and conditions
- v) Eligibility Criteria
- vi) Earnest Money Deposit
- vii) Security Deposit
- viii) Duties and Responsibilities of Contractor
- ix) Manpower
- x) Contract Work description
- xi) Pro-forma for offering technical bid
- xii) Special terms and conditions of Contract
- xiii) Price Bid Format
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- xv) Laws governing the Contract
- xvi) Legal Jurisdiction

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**(Signature & Designation of Official)**

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**1.0 NOTICE INVITING TENDER**

- i. Tender Number & date : HY/WSC/OT/SHOP/2017-18/03 Dt.02.05.2017
- ii. Name of the Work : Supporting activities in shop
- iii. EMD : Rs.4.93 lakhs
- iv. Approximate estimated value of work : Rs.746.97 lakhs
- v. Cost of tender documents : Rs.1000/-
- vi. Last date for sale of tender documents : 22.05.2017 , 11:00 Hrs
- vii. Last date for receipt of tender : 23.05.2017 , 11:00 Hrs
- viii. Date, time and place of tender opening : 23.05.2017 , 13:30 Hrs, Vendor complex, BHEL  
R.C.Puram, Hyderabad
- ix. Period of contract : 12 months from date of awardal
- x. Maintenance period : Nil

**1.1 TECHNO-COMMERCIAL BID**

To,  
Bharat Heavy Electricals Limited  
H.P.E.P., RC PURAM,  
HYDEDRABAD-32

Dear Sir,

I / We hereby offer to carry out the work '-----' against Tender Enquiry No. -----  
-----

I /We have carefully perused the following documents connected with the above mentioned work and agree to abide with the same.

- 2.0 Prequalification requirements
- 3.0 General terms and conditions
- 4.0 Duties and responsibilities of the contractor
- 5.0 Contract work description-Schedule-A
- 6.0 Special terms and conditions
- 7.0 Terms and conditions of Contract Agreement
- 8.0 Guidelines for Reverse Auction
- 9.0 Integrity Pact
- 11.0 Declaration by Tenderer

(Part – A)

Note: EMD & Tender document cost which is in the form of DD/  
Bankers cheque shall be enclosed in Part –A only

10.0 Price Bid (Part – B)

I/ We further agree to execute all the works referred to in the said documents as per the General terms and conditions.

I am / We are in possession of independent PF/ESI Code.

I/We undertake to obtain applicable the PF/ESI coverage of all our workmen to be deployed for the above work and also agree for recovery of appropriate PF/ESI contribution from wages/bills

Strike out which is not applicable

Signature of Tenderer

**PART - A**  
**TECHNICAL BID**

Tender Enquiry No. :

Date:

**Details of the Contractor:**

a) Name and address of the Firm:

Contact person

Vendor code (if already allotted by BHEL)

Phone/Mobile No.

E-mail ID

b) Name and address of the proprietor/Director/partners:

c) Is any contract being operated under the control of the tenderer in BHEL . Yes / No  
(If yes furnish the details):

	<u>Location/ Address</u>	<u>Value</u>	<u>Date of Completion</u>
1.			
2.			
3.			
4.			

d) Is any relative of tenderer employed in BHEL Yes / No  
(If yes Furnish the detail)

Name	Staff no	Location / Area

Signature of the Tenderer  
Date:

**TECHNICAL BID**

01	ESI Code No. (enclose copy of ESI code allotment letter of ESI authority)	
02	PAN No.	
03	PF Code No. (enclose copy of PF code allotment letter of EPF authority)	
04	Service Tax Registration No.	
05	Banker's Name & Address	
06	Bank A/C No. & Branch	
07	Have you quoted rates for all the activities, as indicated in the price bid	YES / NO
08	Financial Turnover for preceding three years duly certified by qualified Chartered Accountant: ex.2013-14, 2014-15 & 2015-16	Assessment Years 2016-17 2015-16 2014-15:
09	Details of EMD (DD/Bankers Cheque has to be enclosed along with Technical bid).	Amount : DD No : DD date : Bank : Branch :
10	Details of tender document cost (DD/Bankers Cheque has to be enclosed along with Technical bid).	Amount : DD No : DD date : Bank : Branch :
11	Particulars of Experience/Credentials As per pre-qualification requirements. (Work completion certificates to be enclosed) (a) If vendor submits Pvt. Company experience, the following documents should be submitted along with technical bid: 1. Awardal Copy 2. Agreement Copy 3. TDS Otherwise bid will be liable for rejection.	
12	Labour License(State/Central) Validity up to In case not available, bidder shall submit the License before commencement of the work.	
13	Reverse Auction acceptance ? Yes/No	
14	Integrity Pact (IP) acceptance? Yes/No	

Note:

I. Photocopy in support of above wherever applicable should be attached.

II. Please note that if answer of Sl. No.01, 03, 07 or 08 is not available or 'No' then the bid is liable to be rejected.

Signature of the Tenderer

Date:

**2.0 PREQUALIFICATION REQUIREMENTS:**

The following conditions have to be satisfied by the tenderer, with documentary proof to be enclosed with tender bid (Technical):

i) Average annual financial turnover during the last 3 years, ending 31st March of the previous financial year (should submit balance sheet & P&L account for last 3 years – certified by Chartered Accountant), should be at least 10% (Rs.74.70 lakhs) of the estimated cost. Further, the tenderer fails to submit the figure (s) for 3 years, non-submitted year will be considered as “0” (Zero) for averaging the turnover. In the 3 years turnover, previous year turnover is compulsory.

ii) Particulars of experience / credentials for the works executed of similar nature during not older than 7 years (Completion and experience certificate of the works to be enclosed) 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 each costing not less than the amount equal to 13% (each work Rs.97.11 lakhs) of the estimated cost.

OR

b. Two similar completed works each costing not less than the amount equal to 17% (each work Rs.126.98 lakhs) of the estimated cost.

OR

c. One similar completed work costing not less than the amount equal to 26% (each work Rs.194.21 lakhs) of the estimated cost.

iii) Experience certificate issued by BHEL, RC Puram in case any work executed in BHEL, RC Puram for past three years. Any adverse remarks in the experience certificate will be a disqualification factor.

**Similar Works means any labour intensive work with any one or any combination of two or combination of three for the following type of related works:**

**a) Unskilled**

**b) Semiskilled**

**c) Skilled**

**(If the experience certificates are from the private organization, for payment proof ,either TDS certificate or bank statement to be submitted)**

iv) “The firms/vendors/contractors who are in the BHEL banned list are not eligible to participate in this tender. The offers received from such firms/vendors/contractors will be rejected. The list of banned firms is available on BHEL website [www.bhel.com](http://www.bhel.com)”.

v) Valid ESI Code Number and P.F. Code Number

vi) Service Tax Registration No: (proof of having Code No. to be enclosed): If not available proof of application submitted for obtaining service tax with concerned department shall be enclosed). Bills will not be processed until proof of having Code No. submitted). The nature of contract is Manpower supply and vendor will raise invoice under this category with due registration under service tax by which BHEL can avail CENVAT credit.

vii) PAN No. (In case not available, proof of having applied with acknowledgement from concerned authority).

viii) Labour licence (Central/State Government): (proof of having Code No: to be Enclosed, In case not available, bidder shall submit the License before commencement of the work).

ix) Agencies who are presently working with BHEL are also required to submit proof of satisfactory performance and completion of contract otherwise the bid will not be considered.

x) All the terms & conditions of the contract with respect to Taxes & Duties are subject to the new taxation laws introduced from time to time (e.g., GST). The terms & conditions will be modified in accordance with the provisions of new laws (e.g., GST).

**Signature of Tenderer**

**Issuing Officer**

## 2.1 INSTRUCTIONS TO TENDERER

- 2.1.1 Tender is a two part bid system. The tender documents consist of Part – A and Part - B as detailed below:
- Part ‘A’: Techno-commercial Bid along with DD/ Bankers cheque for EMD and Tender document cost (To be submitted in sealed cover enabling us to open on .....)
- Part ‘B’: Price Bid to be submitted in sealed cover as per Tender conditions
- 2.1.2 Part ‘A’ must be duly completed and super-scribed “Tender Enquiry No. BHEL: RCPURAM:..... dated ..... Part ‘A’ Techno-commercial Bid, Item No., name of work, Contractor name & address”. The tenderer shall not indicate the price or rate in the PART-A: Techno-commercial bid. The tenderer shall expressly accept all the terms and conditions of the Tender. The tender which does not comply with the BHEL’s Terms & Conditions may be rejected as Non-responsive/non-conforming and non-acceptable.
- 2.1.3 Part ‘B’ must be duly completed with reference to the tender conditions and put in a separate sealed envelope super-scribed “Tender Enquiry No. BHEL: RCPURAM: .....dated ..... Part 'B' - Price Bid, Name of work, Contractor name & address ”.
- 2.1.4 The Techno commercial Bid (Part - A) and general terms and conditions shall be attached to Techno-commercial offer with each page duly signed by the tenderer (at the bottom of each page) as a token of acceptance.
- 2.1.5 Part ‘B’ – Price Bid should not carry any conditions. Price / rate should be quoted in clear terms in the format given by BHEL.
- 2.1.6 Part 'B' Price bid will be opened only in respect of those tenderers who are qualified in Techno-Commercial Bid.
- 2.1.7 The tender forms both Part ‘A’ & ‘B’ duly filled in all respects shall be signed on each page by the tenderer. Any alteration, erasure or over-writing will render the tender invalid. However, alteration neatly carried out and duly attested over with the full signature of the tenderer is permitted.
- 2.1.8 The tenderer should submit the tender documents intact without detaching any page or pages.
- 2.1.9 The Name of the tenderer should be written or the contractor’s seal to be put on the sealed envelope.
- 2.1.10 Before making the offer, the tenderers are advised to carefully go through the terms and conditions, which form part of the Agreement.
- 2.1.11 All entries in the tender document should be in one Ink. Corrections, over writing, cuttings etc. are not permitted. All the columns in the tender form should be filled without leaving any column blank in any page of the tender. In case any of the columns is left blank, the tender would be rejected.
- 2.1.12 The price/rate should be quoted in figures as well as in words.
- 2.1.13 Each and every page of tender documents should be stamped & signed by the tenderer.
- 2.1.14 Tender documents consisting of Part 'A' & 'B' duly sealed in separate envelopes should be sealed in another envelope and should be deposited in the Vendor Complex, BHEL-RC Puram, Hyd-32 addressed to AGM/WSC&SDC BHEL, RC Puram, Hyderabad-32 so as to reach on or before 11:00 hrs. on 23.05.2017 The tender documents may also be sent either by registered post / Speed Post / Courier so as to reach on or before the said date and time. Part 'A' of tender form i.e. Techno-commercial Bid will be opened on 23.05.2017 at 13:30 hrs. the same day in the presence of tenderers or their representatives who are present for the tender opening. Tenderers who qualify in the Techno-commercial Bid will be intimated to attend the tender opening of part 'B' - price bid at a date to be notified separately. Part 'B' i.e. price Bid will be opened at the specified date in the presence of the tenderers or their representative who are notified to attend the tender opening. If any Contractor submits combined bid i.e., Tech. Bid and Price Bid in one cover, such offer shall be summarily rejected.

**Signature of Tenderer**

**Issuing Officer**

- 2.1.15 For any further details required, AGM/WSC&SDC, BHEL, RC Puram, Hyderabad-32 may be contacted in person or through Telephone Nos. 040-23185038/5208/4518
- 2.1.16 BHEL reserves the right to assess the capacity and capability of the parties for pre-qualification. The company also reserves the right to accept or reject any or all the tenders or any part thereof at any stage of process without assigning any reason whatsoever. The company has no obligation to accept the lowest tender. Offer of the Tenderer if prima-facie found not comparable with the quantum of work envisaged and the bid is a desperate effort to be L1, then the offer is liable to be rejected. BHEL's decision in this regard shall be final and binding.
- BHEL reserves the right to reject the tender of bidder, who committed default and having bad track record in execution of previous contracts in BHEL. For the purpose of this clause default and bad track record means violation of labour laws (such as non-payment of wages within time, non-payment of ESI, PF contribution, payment of bonus) and backing out from contract after reverse auction or after receipt of LOI / entering of agreement etc., Agencies who are presently working with BHEL are also required to submit proof of satisfactory performance and completion of contract otherwise the bid will not be considered further evaluation.
- 2.1.17 PRICE BID - The tenderers are required to submit their quotation for all the items listed in the Price Bid format given along with the tender documents. The service charge % should be quoted for each activity after careful study of the actual job requirement so that, in case the contract is awarded, contractor should not express any difficulty in execution of the contract.
- 2.1.18 The Minimum Wages as per statute or BHEL FAIR WAGES revised (whichever is higher) from time to time are payable. The tenderer would be required to pay allowances/incentives as decided and communicated by BHEL.
- 2.1.19 VALIDITY OF RATES: The price bid validity quoted should be valid for 120 days initially from the date of opening of the Techno-Commercial bid.
- 2.1.20 Tender document cost and Earnest Money deposit via Demand draft / Bankers Cheque shall be enclosed to the techno-commercial bid only. Otherwise the offer will not be considered.
- 2.1.21 The tenderers are advised to inspect the site of work and its environments and be well acquainted with the actual working and other prevailing conditions, position of materials and labour related procedures & practices adopted in BHEL.
- 2.1.22 i) The contractor shall be responsible for observance of local laws, employment of personnel, payment of taxes etc. As far as possible, workers shall be engaged from the local areas in which the work is being executed.
- ii) Execution of contract, Bill verification, certification for payments and forward to Accounts department along with HR/IR clearance certificate for effecting payment etc. will be done by respective user departments only.

2.1.23 **REVERSE AUCTION:**

“BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. Bidders to give their acceptance with the offer for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.

Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit ‘Process compliance form’ (to the designated service provider) as well as ‘Online sealed bid’ in the Reverse Auction. Non-submission of ‘Process compliance form’ or ‘Online sealed bid’ by the agreed bidder(s) will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors

The bidders have to necessarily submit online sealed bid less than or equal to their envelope sealed price bid already submitted to BHEL along with the offer. The envelope sealed price bid of successful L1 bidder in RA, if conducted, shall also be opened after RA and the order will be placed on lower of the two bids (RA closing price & envelope sealed price) thus obtained.

**Signature of Tenderer**

**Issuing Officer**

The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates. If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors.

As a reminder to the bidders, system will flash following message (in RED Color) during the course of 'online sealed bid':

“Bidders to submit online sealed bid less than or equal to their envelope sealed bid already submitted to BHEL”

**2.1.24 DISCREPANCY IN WORDS & FIGURE QUOTED IN PRICE BIDS:**

- i) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- ii) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (i) and (ii) above
- iii) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored

2.1.25 BHEL reserves the right to award the contract to one or more contractors simultaneously as deemed fit at the initial stage or during the contract period.

2.1.26 BHEL reserves the right to reject any bid, which is technically unacceptable and unworkable. Further, BHEL also reserves the right to reject any or all tenders without assigning any reasons thereof.

2.1.27 BHEL reserves the right to cancel the contract at the initial stage or during the contract period without assigning any reason to the tenderer.

2.1.28 Wherever prescribed formats are specified for the tenderers use, he shall use the same for making his Claims.

2.1.29 Tender document should be complete in all respects.

2.1.30 Successful tenderers shall enter into an Agreement on stamp paper of Rs.200/- for having accepted the rates, terms and conditions of the contract as per the pro-forma given by BHEL.

2.1.31 The Offers should be in full conformity with the terms and conditions of this tender. No contra conditions are acceptable. Incorrect and incomplete tenders are liable to be rejected. Tenders not submitted in the prescribed forms will be rejected.

2.1.32 BHEL reserves the right to accept or reject any tender in part or full at their discretion without assigning any reason.

2.1.33 If a tenderer deliberately gives wrong information in his tender or creates conditions favorable for the acceptance of his tender, then BHEL reserves the right to reject such tender at any stage.

2.1.34 If the tenderer indulges in any unethical practice for securing the contract, the offer of such tenderer shall be rejected.

2.1.35 Any written communication required to be sent to the contractor in writing shall be sent at the address mentioned on the tender form or to any other address subsequently intimated by Contractor in writing to BHEL HPEP for the contract purposes or to his e-mail address.

**2.1.36 SITE VISIT:**

- a. Before quoting, the tenderers are advised to inspect the site of work and its environments and be well acquainted with the actual working and other prevailing conditions, position of materials and labour related procedures including payments, billing and practices etc.

**Signature of Tenderer**

**Issuing Officer**

They should be well versed with BHEL General Conditions of Contract, Instructions to tenderers, drawings wherever applicable and specifications and all other documents which form part of the agreement to be entered into subsequent to award of work. The tenderers shall specially note that it is the tenderer's responsibility to provide any item which is not specially mentioned in the specification or drawing, but which is necessary to complete the work

- b. The tenderer/Bidder and any of his authorized personnel or agents will be granted permission by the BHEL to enter upon its premises and lands for the purpose of site visit. However the bidder shall express condition that he, his personnel, and agents will be responsible against all liability in respect thereof, including death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.
- c. The Bidder should inform the BHEL at least 2 days (time may be fixed in consultation with tender issuing authority) in advance about the proposed site visit. The Bidder, at his own responsibility and risk is encouraged to visit, inspect and survey the Site and its surroundings and satisfy himself before submitting his bid as to the form and nature of the Site, the means of access to the Site, the accommodation he may require, etc.
- d. In general, Bidders shall themselves obtain all necessary information. A Bidder shall be deemed to have full knowledge of the Site, whether he inspects it or not and no extra claims due to any misunderstanding or otherwise shall be allowed. The cost of visiting the Site shall be at the Bidders' own expense. Any deviations of information in the report and the actual site will not be the responsibility of the BHEL

### **3.0 GENERAL TERMS AND CONDITIONS**

- 1) Contractor shall obtain Labour License (Central / State Government) before commencement of work as applicable.
- 2) In case Contractor engages labour from outside Telangana State to execute the said work, he is required to obtain license under Inter State Migrant Workmen (RE&CS) Act 1979
- 3) BHEL reserves the right to split up the work into convenient portions and award them to different contractors.
- 4) The tenderer shall keep the contents of his tender and rates quoted by him to be kept confidential
- 5) All expenses in preparation and submission of bids and visits to the office or any place in connection with the preparation of Bid shall be borne by Bidder. BHEL in no case shall be responsible or liable for these costs regardless of the outcome of the Bidding process
- 6) The bid prepared by the Bidder including all correspondence etc. relating to his offer/ bid shall be in ENGLISH language.
- 7) No interest shall be payable by BHEL on earnest money or security deposit or any money due to the contractor by BHEL.

### **3.1 ELIGIBILITY CRITERIA**

- 3.1.1 In case the contractor is a Partnership Firm or a Company, the same should be a registered under the relevant Indian Partnership Act 1932 or Companies Act, 1956 and well established organization having at least three years existence in business consecutively for the past three years.
- 3.1.2 The Successful tenderer has to get the license from Labour Dept., under Contract Labour (Regulation & Abolition) Act 1970 for the areas and nature of work, which they will be performing as part of the contract.
- 3.1.3 Tenderer should have independent ESI Employer code under ESI Act 1948.
- 3.1.4 Tenderer should have independent PF code under Employee Provident Fund and Miscellaneous Provisions Act 1952.
- 3.1.5 Photocopy of letter from ESI Corp. and PF Commissioner's Office to establish that tenderer is independently registered as an employer under ESI and PF to be produced.
- 3.1.6 The tenderer shall also mention the PAN Number issued by Income Tax Department, copy of the PAN card or PAN number allotment letter shall be submitted along with the tender documents.

**Signature of Tenderer**

**Issuing Officer**

- 3.1.7 There should be no litigation or charge under investigation / enquiry / trial against the Tenderer, or conviction in a court of law or suspension or blacklisting by any organization on any ground. Tenderer shall confirm this in the Declaration. During the course of work, if any such information comes to light, the contract may be terminated.
- 3.1.8 The opinion / decision of BHEL regarding the bid shall be final and conclusive. BHEL reserves the right to reject any or all the bids at any time without assigning any reason.
- 3.1.9 In case the tenderer has a relative employed in BHEL, the authority inviting tender shall be informed of this fact in writing at the time of submission of tender, failing which the tender may be disqualified, or if such fact comes to light subsequently, the contract may be terminated.
- 3.1.10 For the works which are continuous in nature, and which require regular interaction and monitoring, the contractor shall have an Office/Establishment in Hyderabad.

### **3.2 EARNEST MONEY DEPOSIT:**

- 3.2.1 An amount of Rs.4.93 lakhs towards EMD shall be paid by Demand Draft/Banker's cheque on any nationalized bank / scheduled bank in the name of "Bharat Heavy Electricals Limited" payable at Hyderabad and shall be enclosed to the tender bid. No other means of payment shall be accepted. EMD / any money due to the tender by BHEL shall not carry any interest.

In case total EMD amount is more than Rs.20 Lakh, the amount in excess of Rs.20 lakhs may be accepted in the form of Bank Guarantee from scheduled bank. The Bank Guarantee in such cases shall be valid for atleast six months.

- 3.2.2 Tenders received without EMD as specified above shall be rejected. If EMD accompanies price bid, such bids shall not be considered and will be rejected. If EMD is not in line with amount called for, the EMD as well as the quotations will be returned and unopened to the tenderers.
- 3.2.3 EMD of unsuccessful bidders shall be returned promptly upon award of Contract and EMD of successful bidder will be returned upon the bidder's accepting the contract and furnishing the requisite security deposit.
- 3.2.4 EMD by the Tenderer will be forfeited as per NIT conditions, if:
- i) After opening the tender and within the offer validity period, the tenderer revokes his tender or makes any modification in his tender which is not acceptable to BHEL.
  - ii) The Contractor fails to deposit the required Security deposit or commence the work within the period as per LOI/ Contract.

EMD by the tenderer shall be withheld in case any action on the tenderer is envisaged under the provisions of extant "Guidelines on Suspension of business dealings with suppliers/ contractors" and forfeited/ released based on the action as determined under these guidelines.

### **3.3 SECURITY DEPOSIT**

- 3.3.1 Upon acceptance of his tender bid, the successful tenderer must deposit Security Deposit within the time specified in the letter of intent. Security Deposit should be collected from the successful tenderer. The rate of Security Deposit will be as below:

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

- 3.3.2 The successful tenderer on receipt of letter of intent can convey his acceptance in writing for conversion of EMD into security deposit.
- 3.3.3 If the work is awarded, the agency has to pay 50% of SD in advance on contract value before commencement of work after adjusting of EMD amount.
- 3.3.4 The balance amount to make up the required Security Deposit of 5% of the contract value may be accepted in the following forms:
- i) Local cheques of Scheduled Banks (subject to realization)/ Pay Order/ Demand Draft in favour of BHEL

**Signature of Tenderer**

**Issuing Officer**

- ii) Bank Guarantee from Scheduled Banks/ Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL
- iii) 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)
- iv) 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)

(Note: 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)

- 3.3.5 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.

- 3.3.6 Failure by the successful tenderer/bidder to deposit the security deposit amount as mentioned above within the stipulated time, which will include any extension that may be granted by the authorities, will render his earnest money deposit liable to forfeiture and his tender shall be consider as withdrawn. Security Deposit shall not be refundable to the contractor except in accordance with the terms of the contract.
- 3.3.7 The Security Deposit will be released along with the final bill or after completion of maintenance period for the work, whichever will be later, subject to the condition that nothing is outstanding against the Contractor.

#### **3.4 STATUTORY REQUIREMENTS:**

- 3.4.1 While quoting the rate, the tenderers are advised to take note of minimum wages / BHEL Fair Wages / Central Govt., / State Govt., (whichever is higher) payable to workmen.
- 3.4.2 The tenderer will be required to comply with all the statutory provisions such as Bonus (if applicable), PF (12%), EDLI (0.5%), ESI, Gratuity, Service Tax and other applicable taxes, BHEL Fair Wages prevailing at the time of payment or arrears thereof, declared Holidays, leave, T.S Labour Welfare Fund etc. The contractor shall submit the documentary evidence of payment on account of submission of statutory payments made to the concerned agencies every month and same may be submitted for clearance of bill.
- 3.4.3 The tenderer shall comply with the provisions of the Factories Act 1948, Contract Labour (Regulation and Abolition) Act 1970, ESI Act 1948, Employees Provident Fund and Miscellaneous Provisions Act 1952, Minimum Wages Act 1948, Payment of Gratuity Act 1972, Industrial Disputes Act, 1947, Payment of Bonus Act 1965, Employers Liability Act 1938, Inter State Migrants Workmen (Regulation of employment and conditions of Service) Act 1979 T.S Labour Welfare Fund Act, 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 despite other legal action.

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- 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 labors in the prescribed Pro-forma for accounting payment of wages, deduction towards ESI & PF Contributions, payment of Bonus (if applicable), 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 if applicable.
- 3.4.10 The tenderer will have to extend paid National Holidays and Festival Holidays to their workmen as per BHEL RC Puram direction or 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.
- 3.5.2 The contractor shall be responsible for safety of his workers while they are engaged for work connected with the contract. The Contractor shall be responsible for the appropriate usage of the Uniform and PPE's by their workmen.
- 3.5.3 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.
- 3.5.4 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.
- 3.5.5 The contractor shall have full control over his workmen w.r.t determining service conditions, discharge, dismiss, or otherwise terminate their services at any time. The contractor shall be solely responsible for any claim arising out of employment or termination of employment of his employees and for statutory payments.
- 3.5.6 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.
- 3.5.7 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.
- 3.5.8 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.
- 3.5.9 Out of total manpower to be deployed the Contractor shall to the extent possible to deploy 15% scheduled castes and 7.5% of scheduled tribe community.

**3.5. A. SAFETY:**

- (i) All safety equipment such as safety belts, helmets & other equipment (as required for this work) are to be positioned by the contractor & used as per requirement.
- (ii) Any casualty or damage caused to the property or person by any untoward incidents while executing this contract will be at the contractor's risk & cost.

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- (iii) Violation of applicable safety, health & environment related norms, a penalty of Rs. 5,000.00(Rupees Five thousand) per occasion shall be imposed.
- (iv) Violation of Safety, health & environment related norms resulting in any physical injury a penalty of 0.5% of the contract value shall be imposed (maximum of Rs. 20,000.00) per injury in addition to Rs. 5,000.00 as mentioned above.
- (v) Violation of Safety, health & environment related norms incase resulting in accident and death of one or more than one workmen, the Contractor to pay the Rs.10,00,000.00 (Rupees Ten lakhs) to the each of such deceased workmen dependent in presence of concerned BHEL Official as ex-gratia. Such payment can be made in the form of Demand Draft or through Insurance agency.
- (vi) The contractor shall not use any hand-lamp energized by electric power with supply voltage of more than 24 volts (DC).All portable electric tools used by the contractor shall have safe plugging system to sources of power and be appropriately earthed.

All tools, tackles, lifting appliances, scaffolds, cradles, safety nets, ladders, equipments etc. used by the contractor shall be safe design and construction. The authorized BHEL officials shall have the right to ban the use of any item, if such use is considered to be dangerous by the concerned BHEL officials.If the contractor fails to take appropriate safety precautions or to provide necessary safety devices and equipment or to carry out instructions issued by the authorized BHEL officials, BHEL shall have the right to take corrective steps at the risk and cost of the contractor. The contractor shall take necessary fire safety precautions as per directions of the authorized BHEL officials.

### **3.6 PERIOD OF CONTRACT**

- i) The contract shall be for a period of 12 months from date of awardal.
- ii) The parties, if mutually agreed upon, may extend the period of contract for a further period of 12 months on the same terms and conditions with a price variation clause providing for any increase in wages of the workmen and consequential increase in PF, ESI etc., by appropriate Government or by BHEL from time to time.

If the contractor fails to execute the contract, BHEL reserves the right to execute the contract through any other contractors at the risk and cost of the contractor and the company reserve the right to take appropriate action against the defaulted contractor.

- iii) BHEL is at liberty to terminate the Agreement by giving 30 days' notice in writing.

### **3.7 FAILURE TO COMPLY WITH CONTRACT**

- i) 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.
- ii) In case of any damage to the existing building, structures, materials, tools, furniture and fixtures, machines etc., caused from contractor's end directly or indirectly, 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 contractor, the contractor is liable to compensate the same.
- iii) 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, directly from the Tenderer or by initiating appropriate legal action.

### **3.8 PAYMENT TO THE CONTRACTOR**

- i. Normally, 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. In certain cases due to direct association of work with customer project, payment is made after completion of work. In such cases same will be specified in the NIT/enquiry and the agreement entered into post award of job.

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The Contractor shall raise the bill for payment as per the contractual terms and conditions mentioned in the contract, duly supported by attendance sheet for all the contract labors capturing therein for each of the Contract labour total time engaged during each day on the job and the same to be duly certified by the BHEL official in charge of the contracted work.

Contract is to be expressed both in terms of required categories of labour and number of labors against each category to ensure that the contractor discharges all the contractual and statutory obligations in respect of labors engaged on the job. At the same time required output in terms of units, tonnage etc. is also to be stated to correlate achieved output vis-à-vis desired output.

Following conditions shall be adhered strict during the contract period:

- a. In case there is fall in the achieved output vis-à-vis desired output, contractor is to be warned in two spells.
- b. If the unsatisfactory performance repeats, contract is liable to be short closed.
- ii. The Contractor shall initially pay the wages, and other statutory payments etc., with in the specified time, related to his workmen and then claim bills from BHEL. The contractors would be required to submit their Claims/bills along with the proof of payment of wages, PF, ESI etc., to the respective user departments. The claims/bills will be scrutinized, certified and process for payment by the respective user departments and forwarded to Accounts Department along with HR/IR clearance certificate for effecting payment.
- iii. The Contractor shall provide two pairs of stitched Uniform to each of his workmen and catering cap as specified by BHEL. The Contractor is required to submit their claims along with proof of expenditure incurred and acknowledgement from his workmen for providing stitched uniform. If contractor fails to provide the said stitched uniform, Rs.1000/- will be deducted as penalty against each workmen engaged during the contract period.
- iv. The contractor shall pay bonus to all his workmen as per the applicable provisions of the payment of Bonus Act 1965 and its rules if applicable for contract period.
- v. The contractor shall provide Personal Protective Equipment including one helmet, one pair per year safety shoe of standard specified by BHEL safety department and two pairs of socks to all his workmen during the contract period. The contractor is required to submit their claims with proof of expenditure incurred in providing Personal Protective Equipment to his workmen, subject, however, the maximum reimbursement of claim amount will not exceed a total amount of 800/- for Personal Protective Equipment to each workmen for the whole contract period. BHEL will not entertain any additional / excess claims than the ceiling limit provided herein unless the contractor offers such additional / excess claims in the Price Bid and BHEL accepts to the same.
- vi. **IMPLEMENTATION OF PRICE VARIATION CLAUSE:** Any increase in consolidated wages of BHEL RC Puram or increase in Variable Dearness Allowance by appropriate government to the eligible workmen of contractors, will be reimbursed by BHEL RC Puram to the contractor to that extent of increase on production of proof of payment to the workmen by the Contractor duly verified by the Contract Executing Officer, HR/IR. In case of decrease in the Variable Dearness Allowance by the Appropriate Government, the same will be deducted from the running bills of the Contractor to that extent. (Note: Increase is admissible on the variable components such as wages, PF, ESI, and leave wage etc., which will be notified by the HR/IR from time to time).
- vii. The tenders which are finalized by Works & Services Contract cell are executed by different user departments. For such contracts, the execution and billing process for payment to the contractor will be carried out by respective user departments only.

### **3.9 SUB-CONTRACTING**

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**

- i) 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.
- ii) 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.
- iii) All disputes arising out of or in relation to this contract or Agreement shall be settled by mutual discussions through Conciliation and in the event of failure of conciliation, such disputes shall be referred to Arbitration in accordance with the provisions of Arbitration and Conciliation Act, 1996.

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**3.11 LEGAL JURISDICTION:**

- i) 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 RC Puram, Hyderabad, where BHEL - HPEP / BHEL PE&SD 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-HPEP / BHEL PE&SD is situated and no other court shall have the jurisdiction.

**4.0 DUTIES AND RESPONSIBILITIES OF THE CONTRACTOR:**

- 4.1 The duties, responsibilities and obligations of the contractor including statutory responsibilities mentioned in this document are 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.
- 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 date 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 workmen Form XIII (Rule 75)
  - (iii) Employment card Form XIV (Rule 76)
  - (iv) Service Certificate Form 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. Form – 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 1970 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 Contractors shall submit the half yearly / yearly returns to Regional Labour Commissioner (Central), Hyderabad or appropriate authority as required under contract Labour (Regulation & Abolition) Act 1970 and forward a copy to HR Department.
- 4.6 BHEL, HPEP, RC PURAM – Hyderabad is a Notified Area under the provisions for ESI Act 1948. The contractor shall comply with the provisions 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. For the Persons not covered under the provisions of ESI Act, the contractor shall take required insurance under Employees Compensation Act 1923 with medical benefit.
- 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 Notwithstanding anything contrary to this, in the event of accident, the contractor shall be required to submit accident / 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 Challan or any other form as modified by PF authorities
  - (ii) Annual Return in Form 6A along with Form 3A.  
(till this procedure is discontinued by the PF authorities)

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- 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).
  - Attendance.
  - Wage Register.
  - Any other documents / registers as required
- 4.12 The contractor shall regularly on or before prescribed date of every month 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 provisions 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 be furnished 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.
  - (i) The Contractor shall arrange for his own P.F. and ESI Code Number from the PF and ESI authorities respectively. The expenditure incurred by the contractor towards payment of the Employers Contribution and PF Administrative charges is already included in the estimated price of BHEL.
- 4.13 **In case of revision of Wage/DA by appropriate Government or by BHEL after the award of work, Any revision in Daily Wages Rate made by BHEL based on GO Notification will be reimbursed/ adjusted of Notice Inviting Tender (NIT) based on actual payment made to contract labour and service charges as indicated in Part III 10a. will not be applicable on such additional amount. BHEL will bear the difference of increase 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 if applicable. The contractor is further liable to pay bonus to his employees in accordance with the payment of Bonus Act 1965 on completion of contract if applicable 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. He will also be responsible to pay retrenchment compensation under the Act. In case of short closing of contract by either side, the Contractor shall settle all dues payable to workmen including Bonus (if applicable) on last working day.
- 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 engaged on long contracts shall be Calendar Month and the contractor shall be responsible for making payment of wages within 7 days of the closure of the wage month (on 07th day of the calendar month following the wage month) The disbursement shall be proposed to the 6th day, if the 7th day happens to be a holiday. 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 Bank Account to the Bank 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 slips /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 HPEP, RC PURAM, HYD-32 before submitting Claim for refund of Security Deposit for the respective years.

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- 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 uniform shall be provided by Contractor to his workmen. The Contractor/his authorized representative shall ensure wearing of the Uniform by his workmen in the BHEL premises.
- 4.21 The liability for compensation on account of injury sustained by an employee of the contractor will be exclusively that of the contractor.
- 4.22 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.
- 4.23 Besides the four national holidays i.e. 15<sup>th</sup> August, 26<sup>th</sup> January, 2<sup>nd</sup> October and 1<sup>st</sup> May (May day) 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 worker works on such additional declared national holiday, he will be entitled to additional wage for the said day.
- 4.24 In addition to the above holidays mentioned at Clause 4.23, in the event the Central / State Government declares any other holiday/s and if such Holiday/s is/are applicable to BHEL, RC Puram, Hyderabad also, then the tenderer/contractor shall extend paid Holiday/s to his workmen. The tenderer shall take into account all such occasions while quoting in the tender.
- 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.
- 4.26 The Contractor shall maintain the following Documents, Registers, Forms as required under the FACTORIES Act 1948 and Rules 1950 thereof.
- (I) Leave Register Form No. 15
- (II) Nomination Form No. 25
- 4.27 The contractor will extend leave with wage to his workers @ of one day for every 20 days work. To facilitate the proper execution of the Factories Act, these leaves shall be allowed during the same calendar year. The contractor will pay the un-availed portion of leave in cash along with monthly wages / at the end of Contract period.
- 4.28 Contractor has to ensure that all his workmen are granted one day weekly off after every 48 hrs. of working. The workmen working for more than 48 hours in any week shall be paid wages twice the ordinary rate of wage in accordance with the provisions of Section 59 of the Factories Act, 1948 read with the A.P Factories Rules 1950.
- 4.29 The contractor shall follow safety rules and regulations as per provisions of Factories Act 1948, and Rules at his own expense and arrange for the safety provisions as appended to these conditions or rules framed by the government from time to time.
- 4.29 A. **Refund of Security Deposit:** Security Deposit of contractor will be refunded only after the expiry of the contract period and based on the certification of successful completion of the contract and payment of PF, ESI and applicable statutory dues by the concerned Officials / department and submission of an Undertaking from the contractor, that in case of Claims from any of the statutory authorities, the same would be indemnified by the Contractor.
- 4.30 The Contractor shall be required to deposit Service Tax as applicable as assessed by Central Excise Authority (Service tax cell) Hyderabad before 15<sup>th</sup> of the following month, if same is applicable as per rules in force from time to time. The amount so spent can be claimed from BHEL after submitting the proof of the same.
- 4.31 Contractor shall inform his PAN to BHEL. Income tax as applicable will be deducted at source by BHEL from the bills of contractor.
- 4.32 All the Registers and Records, forms, Notices maintained under the relevant Acts and Rules should be produced on demand before the Inspector or any other authority under the Act, failing which the contract may be terminated without any notice.

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- 4.33 Contractor shall be required to submit a list of his workers to be deployed for the works contract giving details regarding Name of contract worker, Fathers Name, permanent and Present Address, Date of Birth, Qualification, Caste-SC/ST/OBC, ESI No, PF No. and the family details.
- 4.34 The contractor shall abide by all the labour legislations and other laws including the provisions of Contract Labour (Regulation & Abolition) Act, 1970, the Factories Act, 1948, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, ESI Act, 1948, Employee Provident Fund Act, 1952, AP Labour Welfare Fund Act, Payment of Bonus Act 1965, Payment of Gratuity Act 1972, and other relevant Acts applicable to his workmen under this Contract.
- 4.35 BHEL shall be indemnified against all losses, Claims, prosecutions etc. under any law.
- 4.36 The contractor shall promptly furnish all information and document required by BHEL authorities for the purpose of complying with the responsibilities of Occupier of the factory and shall render all the necessary assistance for the same.
- 4.37 The contractor will maintain proper discipline of his workmen and will ensure that his workers do not cause any loss or theft or damage to any company's property. The contractor will also be responsible for the good conduct of his workmen.
- 4.38 The contractor shall ensure and maintain uninterrupted progress of the work in accordance with instructions given to him on behalf of BHEL from time to time.
- 4.39 In case the contractor makes default in commencing the work within the time specified by BHEL without any reasonable cause, disputes any of the terms and conditions of the contract or refuses to execute the contract or any part thereof at any stage, the contract shall, without prejudice to any other right or remedies available to BHEL, be liable to be cancelled / terminated in part or in whole. In the event of such cancellation / termination of contract, the contractor shall be liable; to compensate BHEL for all losses incurred by BHEL including the loss suffered on account of having the work executed through any other contractor or department as may be convenient to BHEL, in accordance with the exigencies of the work. In case only a part of the contract is cancelled, the remaining portion of contract may be allowed be executed by the contractor.
- 4.40 The Contractor shall without fail give up-to-date information in writing of the attendance of the workers engaged by him. The Contractor will also submit the required documents and certificates as prescribed from time to time for the clearance and the payment of the Bill.
- 4.41 Whenever any sum of money is found to be recoverable from or payable by the contractor, the same will be deducted from any sum that may due or which at any time there after becomes due to the contractor under this contract or under any other contract or from his security deposit. In case the recoveries are not complete even after such deduction, the contractor shall pay the same or the balance thereof from the security deposit. The contractor shall immediately thereafter pay such further sums as may be required to replenish the shortage caused by such recoveries in the amount of security deposit.
- 4.42 During the period of contract, if the contractor is awarded any other job work contract in BHEL, the contractor will have to inform the designated BHEL official before accepting the other work.
- 4.43 In case of failure on the part of the contractor to execute the work awarded to him within the stipulated time, the sum equivalent to the EMD as per BHEL Works Policy shall be forfeited as per the Undertaking provided by tenderers, after a week's notice issued by the awarding officer and BHEL may in its discretion award the contract to any other party.
- 4.44 In case of any extra work executed by the contractor, the contractor will be paid on pro-rata basis.
- 4.45 All the Terms and Conditions as mentioned in Work Order will also form a part of the Agreement.
- 4.46 BHEL shall have the right to deduct any sum from the bill of the contractor for making good the loss suffered by a worker or workers by reason of non-fulfillment of the conditions of the contract, Non-payment of wages or of deduction made from his or their wages which are not justified by the terms of the contract or non-observance of the said contract Labour regulations.
- 4.47 The contractor shall be responsible for observance of local laws, employment of personnel, payment of taxes etc. As far as possible, workers shall be engaged from the local areas in which the work is being executed.
- 4.48 The contractor shall be wholly responsible for the behavior of the workmen at the work place and outside, in the BHEL premises.
- 4.49 The contractor shall be responsible for safe custody of BHEL's property like materials, tools etc., entrusted to him and if necessary arrange insurance at his own expense.
- 4.50 The contractor shall be responsible to make good and rectify at his own expense any defect, which may develop or may be noticed within the period of the contract.

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- 4.51 BHEL shall be entitled to recover any payment made on behalf of the contractor under any law or otherwise.
- 4.52 BHEL Officer In-charge shall have the right to stop the work at any stage or at any time by giving the contractor seven days' notice in writing.

4.53 **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 of an arbitrator appointed by Head of the BHEL Unit 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 at Hyderabad.

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

Subject to the arbitration in terms of Clause above, the Courts at Sangareddy, Telangana State 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.

**In case of Contract with Public Sector Enterprise (PSE) or a Government Department, the following shall be applicable:**

In the event of any dispute or difference relating to the interpretation and application of the provisions of the Contract, such dispute or difference shall be referred by either Party for arbitration to the sole arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India in-charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to arbitration under this clause. The award of the arbitrator shall be binding upon the Parties to the dispute, provided, however, any Party aggrieved by such award may make further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law and Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary or Additional Secretary when so authorized by the Law Secretary, whose decision shall bind the Parties hereto finally and conclusively. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator."

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**Issuing Officer**

**5.0 CONTRACT WORK DESCRIPTION:****SCHEDULE 'A'****Contract period is 12 months from date of awardal****CONTRACT WORK DESCRIPTION: Supporting activities in shop**

Place of Work: BHEL-HPEP

**1. No. of persons required to be deployed on daily basis:**

a. Unskilled workers: 417 Nos.

b. Semi-Skilled workers:39 Nos

(Shift wise deployment will be decided on day-to-day basis in consultation with the contract executing officers with in the above mentioned daily limit)

<b>S.No</b>	<b>Activities</b>	<b>Remarks (Breakup of No. of persons to be deployed for each activities daily)</b>
1	Material handling in shops like Loading & unloading of materials, battery truck/fork lift operations, to and fro movement of materials from different locations inside the factory, Maintenance activities of machines, chip removal from machines, painting of items, shifting of scrap to bins, foundry related works etc. Contractor has to carry-out any type of relevant works as per the instructions of the concerned executing officials.	This activity requires simultaneous 417 USW operations and 39 Semi-skilled operations per day

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## 6.0 SPECIAL TERMS & CONDITIONS OF CONTRACT

- i. The quantity of raw materials drawn, if any from the Stores and balance unused should be accounted and returned to the Stores.
- ii. Ensure cleanliness of the preparation area/work spot before and after the work on daily basis.
- iii. The quantity will be counted, measured and weighed and certified by the authorized persons.
- iv. The quantity may vary depending on the requirement which will be informed in advance by BHEL.
- v. The payment will be as per actual quantity prepared, executed and accounted.
- vi. In case of delay of payment of wages to the contract labour by the contractor, for more than a week, the contract executing officer will initiate action for payment of wages directly from BHEL side and recover the same from the payments due to the contractor along with penalty as decided by the respective product head. In case, the contractor default/fail to pay wages to the contract labour repeatedly (more than once) the contract executing officer shall take action for payment of wages directly by BHEL and contract may be short closed despite blacklisting/banning the said contractor from participating in the future bidding/tendering in BHEL.
- vii. Experience Certificate: On completion of contract, the contractor will be issued an experience certificate by HR-IR on the total performance of the contractor such as technical competency, implementation of statutory provisions in time, such as payment of wages to the worker, payment of PF contribution, Payment of ESI contribution, Payment of bonus (if applicable), issue of PPE, uniform cloth, safety shoe etc., based on which the contractor's future bid if any in BHEL will be evaluated.

### EVALUATION OF PRICE BID:

- i. A single percentage (%) must be quoted for all categories mentioned in the price bid Proforma as the job would be awarded to one or more successful tenderer as per NIT criteria.
- ii. Evaluation of the L-1 offer shall be computed on overall lowest cost to BHEL basis. (Grand Total Price for all the items (price bid ) indicated above minus tax credit, if, any)
- iii. In the event of two or more tenderers becoming L1, the selection of the tenderer for the purpose of awarding contract will be on the basis of LOTTERY to be held in presence of representatives of L1 tenderers.
- iv. Contractor shall take total care to educate himself to know the prevailing wages payable to contract labour in BHEL RC puram and quote rates taking into account all aspects of contract

## 7.0 Terms and conditions of Contract Agreement

1. Refund of Security Deposit: Security Deposit of contractor will be refunded only after the expiry of the contract period and based on the certification of successful completion of the contract and payment of PF, ESI and applicable statutory dues by the concerned Officials / department and submission of an Undertaking from the contractor, that in case of Claims from any of the statutory authorities, the same would be indemnified by the Contractor.
2. The Contractor shall initially pay the wages, and other statutory payments etc., with in the specified time, related to his workmen and then claim bills from BHEL. The contractors would be required to submit their Claims/bills along with the proof of payment of wages, PF, ESI etc., to the respective user departments. The claims/bills will be scrutinized, certified and process for payment by the respective user department and forward to Accounts Department along with HR/IR clearance certificate for effecting payment.
3. The Contractor shall provide two pairs of Uniform to each of his workmen along with stitching charges and catering cap as specified by BHEL. The Contractor is required to submit their claims along with proof of expenditure incurred and acknowledgement from his workmen for providing uniform, subject, however, the maximum reimbursement of claim amount will not exceed a total amount of 1000/- (including all) for two pairs of Uniform to each workmen. BHEL will not entertain any additional / excess claims than the ceiling limit provided herein and contractor agrees to accept the same.
4. The contractor shall pay bonus to all his workmen as per the applicable provisions of the payment of Bonus Act 1965 and its rules for contract period if applicable.

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5. The contractor shall provide Personal Protective Equipment including one pair per year safety shoe contract period. The contractor is required to submit their claims with proof of expenditure incurred in providing Personal Protective Equipment to his workmen, subject, however, the maximum reimbursement of claim amount will not exceed a total amount of 800/- for Personal Protective Equipment to each workmen for the whole contract period. BHEL will not entertain any additional / excess claims than the ceiling limit provided herein unless the contractor offers such additional / excess claims in the Price Bid and BHEL accepts to the same.
6. The contractor shall fully comply with the following enactments / guidelines:
  - (a) Contract Labour (R & A) Act, 1970 & applicable Rules thereof
  - (b) Minimum Wages Act 1948 (Wage Rates not less than that notified by State Labour Department / Central Labour Department / notified by BHEL, RC Puram (whichever is higher) from time to time)
  - (c) Payment of Wages Act, 1936
  - (d) ESI Act, 1948
  - (e) EPF & Misc. Prov. Act, 1952
  - (f) Employees Compensation Act, 1923.
  - (g) A.P Labour Welfare Fund Act, 1987
  - (h) Inter State Migrant Workmen (RE & CS) Act, 1979
  - (i) Payment of Bonus Act, 1965
  - (j) Payment of Gratuity Act, 1972
  - (k) Equal Remuneration Act, 1976
  - (l) The Company's instructions as issued from time to time in regard to working hours, wages, leave, holidays etc.
7.
  - a. The contractor shall obtain License from the Competent Authority if he engages 20 (twenty) or more workmen in BHEL RC Puram under Contract Labour (Regulation and Abolition) Act, 1970. The Contractor shall submit a valid Contract Labour License to BHEL, RC Puram, on or before the date of commencement of contract.
  - b. The contractor shall obtain License from the Competent Authority if he engages 5 (five) or more workmen under Inter State Migrant Workmen (RE & CS) Act, 1979 in case the contractor engages workmen recruited from outside State of Telangana in which BHEL RC Puram located. The Contractor shall submit a valid Contract Labour License to BHEL, RC Puram, on or before the date of commencement of contract.
8. The Contractor shall produce the following Registers and forms (as applicable) before commencement of work, for verification by the Contract Executing Officer / Contract Labour Cell of the company, without which labour entry permission will not be granted.
  - (a) Form XIII - Register of workmen employed by contractor (Rule 75)
  - (b) Form XIV - Employment card issued by contractor (Rule 76)
  - (c) Form XVI - Muster Roll (Rule 78(1)(a)(i))
  - (d) Form XVII - Register of wages (Rule 78(1)(a)(i))
  - (e) Form XVIII - Register of wages-cum Muster Roll (in case of weekly payment)
  - (f) Form XIX - Wage Slip (Rule 78)(b)
  - (g) Form XX - Register of deduction for damages or loss (Rule 78)(1)(a)(ii)
  - (h) Form XXI - Register of files (Rule 78)(1)(a)(ii)
  - (i) Form XXII - Register of advances (Rule 78)(1)(a)(ii)
  - (j) Form XXIII - Register of overtime (Rule 78)(1)(a)(iii)
  - (k) Form XXIV - Return to be sent by the contractor to licencing Officer (Rule 82)(1)

The contractor shall maintain the above and any other registers and forms applicable under various Acts/Rules neatly, completely and legibly for inspection by various statutory authorities and by the company officials even at short notice. All above registers shall be maintained at the place of work.

In addition to the above the following are required to be taken care by the contractor under Contract Labour (R&A) Act 1970

- a. Copy of licence to be displayed at the workspot as required under Rule 25 (2) 9 (ix)
- b. Rates of wages, hours of work, wage period, date of payment, name and address of inspector, date of payment of unpaid wage in English, Hindi and Telugu are to be displayed as per rule 81 (1) (i)
- c. Notice showing wage period, place and date of disbursement of wages has to be displayed and a copy of the same is required to be sent to Principal Employer under acknowledgement as per rule 71

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**Issuing Officer**

- d. An abstract of the Act and Rules in the form approved by the Chief Labour Commissioner (Central), New Delhi to be displayed in English and Hindi and Telugu as per rule 79.
  - e. Copies of Notices required to be displayed as per Rule 81(1) (i) and any change occur the same shall be submitted as per Rule 81 (2).
  - f. Notice of commencement of work has to be given as required under Rule 25 (2) (viii) in form VIA
  - g. Register of person employed to be maintained as required under Rule 75
  - h. Employment cards were to be issued as per rule 76 (i)
  - i. Register of wages and muster roll to be maintained as per Rule 78(1)(a)(i)
  - j. Register of fines, deductions and advances to be maintained as per Rule 78(1)(a)(ii)
  - k. Register of overtime to be maintained as per rule 78(1)(a)(iii)
  - l. Wage slips have to be issued as per rule 78(1)(b)
  - m. Half Yearly return for the half year ending \_\_\_\_\_ to be submitted as per Rule 82(1) to the Licensing Officer
  - n. Latrines and Urinals to be provided for the use of the workers as per rule 51 to 56 read with section 18
  - o. First aid facilities to be provided for the use of the workers as per rule 58 read with section 19
  - p. Creche facilities to be provided for the use of children of women as per Rule 25(2)(vi)
10. The contractor shall observe
    - (a) Weekly rest day
    - (b) The Company List of Holidays.
  11. Contractor shall obtain complete bio-data of the labour, employment certificate and Antecedent verification (issued by Local Police Dept.,) in the prescribed form for each labour and supervisor engaged by him, and shall submit the same to the Human Resource Department/IR section through the contract executing officers before commencement of the work.
  12. The entry permits are to be issued to the Contract Labour by Assistant Commandant / Plant (CISF), based on the requisition submitted by Contract Executing Officer and forwarded by Executive in charge of Contract Labour Cell of HR IR section
  13. Every contractor shall submit a notice regarding commencement and completion of work in Form-VI A&B [Rule 25(viii) & 81(3)] to Contract Labour Cell of HR IR section through his contract executing officer, for forwarding the same to State / Central Labour Department as applicable
  14. The contractor shall make himself or his representative available at the work spot every day during execution of work, for effective supervision. The Contractor or his supervisor shall submit list of shift wise contract labour engaged by him in duplicate to CISF Personnel at J Gate on daily basis.
  15. The Contractors shall pay to their workmen applicable minimum wages / BHEL Fair Wages whichever is higher.
  16. The Contractor shall comply with all the statutory provisions such as Bonus (if applicable), PF (12%), EDLI (0.5%), ESI, Gratuity, Service Tax and other applicable taxes, BHEL Fair Wages prevailing at the time of payment or arrears thereof, declared Holidays, leave, AP Labour Welfare Fund etc. The contractor shall submit the documentary evidence of payment on account of submission of statutory payments made to the concerned agencies every month and same may be submitted for clearance of bill.
  17. The contractor shall attend to all inspections notified/conducted by the personnel department, Labour department, P.F. authorities, Factory Inspectors, ESI inspectors or any other such authorities under the Act, failing which appropriate action shall be initiated.
  18. Non-compliance of provisions under any Acts/Rule/instructions/guidelines shall make the contractor liable for penal action including termination of contract.
  19. Contractor shall furnish in a separate letter, his place of residence and postal address. The delivery at the above named place or posting in a Post Box regularly maintained by the Postal Department or sending letters registered for acknowledgement of any notice, letter or other communication to the contractor shall be deemed sufficient service thereof upon the contractor. Change in address shall come into force at any time by an instrument executed by the contractor and delivered to the Company official who has signed the contract.
  20. The contractor must satisfy himself by personal study and examination of the specifications furnished and understand thoroughly the scope of proposed work in detail and all conditions affecting the work before entering into the contract. There shall not be at any time, dispute/complaint of any nature regarding scope of work and interpretation of specifications or any misunderstanding with regard to nature or omission of the work to be done nor shall any application for compensation in terms of time and money shall be accepted by Company regarding the above.

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21. Contractor shall in his absence keep competent agent constantly on the works and any directions or explanations given by the "Contract Signing Officer" or his representative to such agent shall be held to have been given to the contractor himself.
22. Contractor on the advice of the Company official shall immediately remove any person/s employed by him, who may in the opinion of the Company official is incompetent or misconducts himself and such persons shall not be again employed on the works without written permission of the Company official.
23. Wherever required, the contractor shall erect and maintain at his own cost temporary weather proof sheds at such places approved by the Company for keeping materials under cover.
24. The contractor shall give all notices required by the Acts, Regulation, Bye-laws, and pay all fees in connection therewith unless and otherwise arranged and decided in writing with the Company. He shall also ensure that no attachments are made against materials or work forming part of or for the use of the contractor.  
In all such cases, contractor shall protect and indemnify the Company against any claim or liability arising from or based on the violation of any such laws, ordinances, regulations, orders, decrees or attachment either by himself or by his employees.
25. It shall be contractor's sole responsibility to protect the public and his employees against accident from any cause and provide required safety equipment's and shall indemnify the Company against any claims for damages for injury to the person or property resulting from any such accidents and shall, where the provisions of the Employees compensation Act does not apply, take steps to properly insure against any claims thereunder.
26. In the event of any accident in respect of which compensation may become payable under the Employees Compensation Act. VIII of 1923 whether by the contractor or by the Company as principal, it shall be lawful for the Company to retain out of monies due and payable to the contractor such sum or sums of money as may, in the opinion of the Company shall be final in regard to all matter arising in this clause.
27. No work shall be done on Sundays or on other declared Holidays of the Company without the written permission of the Company officer in charge of the work and HR/IR section of Contract Labour Cell. The contractor shall comply with the provisions of the Factories Act 1948 if the same are applicable.
28. The contractor shall keep his work place clean and safe to avoid injuries to men and damage to finished products / equipment.
29. On the occurrence of an accident, which results in the death of any of the workmen employed by the contractor or which is so serious as to be likely to result in the death of any such workmen, the contractor shall within 24 hours of the happening of such an accident intimate in writing to the Company official in charge of the work. The Contractor will also pay compensation as determined by the Authorities.
30. The contractor shall indemnify the Company against all losses or damages sustained by the Company resulting directly or indirectly from his failure to give intimation in the manner aforesaid including the penalties or dues if any and become payable by the Company, as a consequence of failure, the Company to give notice under the Employees Compensation Act 1923 or otherwise confirm to the provisions of the said Act in regard to such accident.
31. The contractor shall ensure adherence to all statutory requirements applicable to BHEL.
32. The contractor shall ensure abidance by all the labour laws especially including Contract Labour (R&A) Act 1970, Payment of wages Act 1936, Employees Compensation Act 1923, Factories Act, 1948, Minimum Wages Act 1948, Payment of Bonus Act 1965, Payment of Gratuity Act 1972, ESI Act 1948 and Provident Fund Misc. Prov. Act 1952 etc., as amended from time to time.
33. The contractor 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 contractor or his representative.
34. The contractor 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.
35. The contractor 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 contractor in making such payment, and payment of his bill will be deferred despite other legal action.
36. The Income tax as applicable will be deducted from the bill of the contractor.
37. Each Contractor shall maintain the daily attendance of his labours in the prescribed Pro-forma for accounting payment of wages, deduction towards ESI & PF Contributions, payment of Bonus, leave etc.

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**Issuing Officer**

38. The contractor will have to extend paid National Holidays and Festival Holidays to their workmen as per BHEL RC Puram direction or 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.
38. In addition to the above holidays mentioned at Clause 38, in the event the Central / State Government declares any other holiday/s and if such Holiday/s is/are applicable to BHEL, RC Puram, Hyderabad also, then the Contractor shall extend paid Holiday/s to his workmen.
39. The contractor shall obtain a separate Provident Fund Code for his establishment and ensure implementation of Provident Fund & Misc. Prov. Act 1952 in the case of all eligible Labours engaged by him in the BHEL RC Puram (employees) and in the process shall conform to all stipulated conditions under the Provident Fund & Misc. Provisions Act 1952 and rules framed thereunder. The PF contribution i.e. 12% shall be paid on total wages paid to the contract labour.
40. Notwithstanding the above clause, in case of any financial loss incurred by company on account of contravention of the Provident Fund regulations or any regulations of rule by the contractor, the contractor shall submit an undertaking to indemnify the company to the extent of the loss incurred by the company.
41. The contractor should engage only those labours who shall be more than 18 (eighteen) years of age.
42. The contractor shall not resort to subcontracting under any circumstances without written consent from BHEL
43. The contractor shall provide the required safety equipment to the labours engaged by him.
44. Contractor shall issue "Employment Card" to all labour and supervisors covered under the labour / works / job work contract as prescribed under the Contract Labour (R&A) Acts/Rules.
45. A copy of the agreement between contractor and his labour shall be submitted to the Contract Labour Cell of HR-IR section
46. Whenever the term "CONTRACTOR" is used, it shall be understood to refer to the particular person, firm or corporation with whom an agreement has been made by the concerned Company official for executing the work defined in the concerned agreement and for the purpose of instructions regarding compliance with contract conditions, it shall include the contractor's authorised agents, who are entrusted with the work by contractor.
47. The Company does not expressly or by implication agree that the actual amount of the work to be done at BHEL shall correspond there with, but reserves the right to increase or decrease the quantity of operations / unit / number of persons deployed etc., or portion of the work as he deems necessary.
48. All the works shall be carried out in accordance with the directions and to the satisfaction of the Company official in accordance with the drawings, specifications and instructions. Supplementing or explaining the same as may be from time to time shall be done by the Company official.
49. For all modifications, omissions or additions to the specifications, the Company shall issue revised written instructions and no modifications, omission or addition shall be made unless so authorized and directed by the Company in writing.
50. The Company shall have the privilege of ordering modifications, omissions, or additions at any time before completion of the work.
51. The contractor shall 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. Contractor to ensure payment of minimum wages as prescribed from time to time to the said Supervisors and also ensure statutory payments such as PF, ESI and bonus if applicable.
52. The contractor shall have full control over his workmen w.r.t determining service conditions, discharge, dismissal, or otherwise terminate their services at any time. The contractor shall be solely responsible for any claim arising out of employment or termination of employment of his employees and for statutory payments.
53. 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.

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**Issuing Officer**

## 7.1 Special Instructions:

1. If the tender is made by an individual, it shall be signed with his full name and his address shall be furnished. If it is made by firm, it shall be signed with the co-partnership name by a member of the firm, who shall also sign his own name, also furnish the name and address of each member of the firm. If the tender is made by a corporation, it shall be signed by a duly authorised Officer who shall produce with the tender, satisfactory evidence of his authorisation. Such tendering corporation/firm is required to furnish evidence of its existence along with bid.
2. The EMD will be refunded to the unsuccessful Tenderers on application after rejection of the tender is intimated. The earnest money will be retained in the case of the successful tenderers and either of the cases will not carry any interest. It will be dealt with as provided in the conditions attached to the tender.
3. Whenever a tender is to be accepted, the tenderer, whose tender is under consideration, shall attend the Office of " Officer Inviting the Tender " on the date fixed by written intimation to him. He shall forthwith, upon intimation being given to him by the "Officer Inviting the Tender" (Ex. DGM (WSC)) for acceptance of his tender, complete the execution of the agreement by signing all documents connected therewith. Failure to do so and not to commence the work within one month from the date of intimation, shall entail forfeiture of the earnest money.
4. Tenderers shall peruse carefully the instructions and directions to the parties given in the tender document and the conditions there of and all other relevant documents before quoting the rates for the work. The approximate quantity of work to be executed under each class is given in the schedule. The quantities are given with a view to enable tenderer to quote his overall rate for each class of work in the tender form and for a uniform comparison of tenders. It shall be definitely understood that the schedule is liable to alterations at the discretion of accepting authority.
5. Tenderers shall keep the offer valid for a period of 120 days from the date of opening of tender. After submitting the tender, he will not recall his offer or modify the terms and conditions thereof. Should the tenderer fail to observe or comply with the foregoing stipulations, the EMD shall be forfeited.
6. Tenderers have to quote their rates in the tender schedule legibly written in figures and words and those not submitted in proper form are liable for rejection.
7. The submission of tender shall be strictly in accordance with the terms and conditions stipulated in this tender notice. No counter conditions will be acceptable or valid.
8. The tenderers must satisfy themselves by personal study and examination of the drawings/specifications furnished and understand thoroughly the scope of proposed work in detail and all conditions affecting the work before quoting. There shall not be at any time after submission of the tender, dispute/complaint of any nature regarding the scope of work and interpretation of specifications or any misunderstanding with regard to nature or omission of the work to be done nor shall any application for compensation in terms of time and money shall be accepted by BHEL in regard to the above.
9. Contractor shall be deemed to have included in his tender price of all the plant, machinery and appliances required for the purpose of all operations connected with the work embraced under the contract to secure a satisfactory quality of work and rate of progress which in the opinion of the " Contract Signing Officer" will ensure the completion of the work within the time specified.
10. The contractor has to produce the bank guarantee, in the prescribed proforma valid for the contract period for a value calculated at the rates mentioned, towards security deposit. The claim period under the guarantee shall be valid for six months after expiry of the contract.
11. This is a time bound contract for period mentioned, and does not envisage any extension of time / period unless otherwise it is given in writing.

## 7.2 Specific information communicated to vendors

Apart from the fulfilment of general conditions, the vendors who wish to submit the bids for the above category have to know the following specific information

1. Payment will be disbursed on the basis of actual attendance and performance of work executed duly certified by executing agency of concerned shop in measurement book.
2. This work involves deployment of unskilled workers.
3. All the materials brought inside are to be entered at CISF gates and supplied to site by contractor for using in works.

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4. The contractor should follow all the safety precautions while executing the work.
5. Penalty Clause: 0.50 % of the value of work or part thereof will be levied for every week delay by the agency subject to a maximum of 10 % value of the work.
6. Terms of payment:
  - a) Payment will be made after verification of records, regarding work done and certified by the concerned executing authority.
  - b) The Contractor shall record the executed work and get it certified by the concerned executing officials for processing the bills.
  - c) Before billing, the Contractor shall show the records of payment of wages to workmen, ESI & PF contribution to the relevant departments. Contractor shall show the proof of providing relevant Personnel Protective Equipment's to workmen.
  - d) Payment will be effected on actuals basis after certification by the executives of Department in measurement book.
  - e) **Payment to the workers by Contractor to be made on or before 7th day of every month without fail, otherwise suitable action shall be taken at his (Contractor) risks and cost.**
7. Service tax as applicable will be paid by BHEL.
8. The contractor shall ensure deployment of adequate machines and man power as required for the work and suggested by Engineer-in-charge.
9. The quantities are shown above are approximate and liable for variation. The quoted rates should be applicable for additional quantity if any based on BHEL order receipts position and as well as for reduced quantity also. The Contractor is bound to execute the work in the period of contract on the same terms and conditions without any demur. Vendor has to supply required labour at the same rate, terms and conditions as per BHEL requirement within the contract period.
10. All BHEL General Conditions of the Contract shall be applicable.
11. The agency should affix his signature at the end of each page of the document and enclosed supporting documents (by bidder) also with Rubber Seal.
12. The contractor or his authorized representative shall be always present at the work site.
13. The contractor shall submit the daily progress report of the works carried to the Engineer-in-charge.
14. The contractor shall be responsible for observance of local laws, employment of personnel, payment of taxes etc. As far as possible, workers shall be engaged from the local areas in which the work is being executed.
15. The contractor shall submit prices as per price bid proforma enclosed and shall follow strictly NIT conditions.

### 7.3 Scope of work

The above work consists of Material handling in shops like Loading & unloading of materials, battery truck/fork lift operations, to and fro movement of materials from different locations inside the factory, Maintenance activities of machines, chip removal from machines, painting of items, shifting of scrap to bins, foundry related works etc. Contractor has to carry-out any type of relevant works as per the instructions of the concerned executing officials. Contractor shall arrange necessary Personal Protective equipment's (PPE) to his workmen.

### 7.4 Contractor Scope

To arrange required labour and Personal protection equipment's as mentioned in NIT.

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## 7.6 Distribution of work based on tender priority (Splitting of Contract)

a) Order will be distributed to Five technically qualified vendors in the following manner:

1. L1 vendor will be given (33 ±2) % of the work.
2. L2 vendor will be given (26±2) % of the work
3. L3 vendor will be given (20±2) % of the work.
4. L4 vendor will be given (14±2) % of the work
5. L5 vendor will be given (7±2) % of the work

Once L1 rate is finalized L2, L3, L4 & L5 will be decided upon acceptance of L1 finalized rate in order of lowest to highest quoted vendor rates i.e. in the order of acceptance by L2, L3, L4, L5 , L6 etc. onwards.

b) In case L2, L3, L4 accepts L1 rate and no L5 vendor accepts L1 rates, then the distribution is as follows:

1. L1 vendor will be given (40 ±2) % of the work.
2. L2 vendor will be given (30±2) % of the work
3. L3 vendor will be given (20±2) % of the work.
4. L4 vendor will be given (10±2) % of the work

c) In case L2, L3 accepts L1 rate and no L4, L5 vendor accepts L1 rates, then the distribution is as follows:

1. L1 vendor will be given (50 ±2) % of the work.
2. L2 vendor will be given (30±2) % of the work
3. L3 vendor will be given (20±2) % of the work.

d) In case L2 accepts L1 rate and no L3, L4, L5 vendor accepts L1 rates, then the distribution is as follows:

1. L1 vendor will be given (60 ±2) % of the work.
2. L2 vendor will be given (40±2) % of the work

e) In case no vendor accepts the L1 finalized rates, the total contract value will be given to L1 vendor based on BHEL requirement.

f) In case the number of qualified responses (N) are three or more, the distribution shall be limited to (N-1) qualified responses and distribution criteria will be as per above cases and order will be distributed as per BHEL requirement.

## **8.0 Guidelines for Reverse Auction**

Against this enquiry for the subject item/ system with detailed scope of supply as per enquiry specifications, BHEL may resort to “REVERSE AUCTION PROCEDURE” i.e., ON LINE BIDDING (THROUGH A SERVICE PROVIDER). The philosophy followed for reverse auction shall be English Reverse (No ties).

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. Those bidders who have given their acceptance for Reverse Auction (quoted against this tender enquiry) will have to necessarily submit “online sealed bid” in the Reverse Auction. Non-submission of “online sealed bid” by the bidder for any of the eligible items for which techno-commercially qualified, will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.
3. BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on internet.
4. In case of reverse auction, BHEL will inform the bidders the details of Service Provider to enable them to contact & get trained.
5. Business rules like event date, time, bid decrement, extension etc. also will be communicated through service provider for compliance.
6. Bidders have to fax the Compliance form (provided by Service Provider) before start of Reverse auction. Without this, the bidder will not be eligible to participate in the event.
7. Reverse auction will be conducted on scheduled date & time.
8. At the end of Reverse Auction event, the lowest bidder value will be known on auction portal.

**Signature of Tenderer**

**Issuing Officer**

9. In line with the NIT terms, BHEL will provide the calculation sheet (e.g. EXCEL sheet) which will help to arrive at “Total Cost to BHEL” like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for noncompliance to BHEL standard Commercial terms & conditions) for each of the bidder to enable them to fill-in the price and keep it ready for keying in during the Auction.

10. Successful bidder shall be required to submit the final prices (L1) in BHEL prescribed format for price breakup including that of line items, if required, quoted during the Online Reverse Auction, duly signed and stamped as token of acceptance without any new condition (other than those already agreed to before start of auction), after the completion of auction to M/s. {Service provider} besides BHEL within two working days of Auction without fail.

11. In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the Price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL’s standard practice.

12. Bidders shall be required to read the “Terms and Conditions” section of the auctions site of Service provider, using the Login IDs and passwords given to them by the service provider before reverse auction event. Bidders should acquaint themselves of the “Business Rules of Reverse Auction”, which will be communicated before the Reverse Auction.

13. Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action as per extant BHEL guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)), shall be initiated by BHEL.

14. The envelope sealed price bid of successful L1 bidder in RA, will also be opened after RA and the order will be placed on lower of the two bids (RA closing price & envelope sealed price). The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.

15. If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors (as available on [www.bhel.com](http://www.bhel.com)).”

16. In case BHEL decides to go for reverse auction, the H1 bidder(s) (whose quote is highest in online sealed bid) may not be allowed to participate in further RA process. In case of tie for H1 bid (identical online sealed bids), 15 minutes additional time shall be provided and all the participating bidders shall be informed by mail/ message on bidding screen to enable bidders submit revised online sealed bids so as to break the tie and H1 elimination will be done as per BHEL RA guidelines.

**Signature of Tenderer**

**Issuing Officer**

### **8.1 Business Rules for Reverse Auction**

This has reference to tender no {tender number....date...}. BHEL shall finalise the Rates for the supply of {item name} through Reverse Auction mode. BHEL has made arrangement with M/s. {Service provider}, who shall be BHEL's authorized service provider for the same. Bidders should go through the instructions given below and submit acceptance of the same.

The technical & commercial terms are as per (a) BHEL Tender Enq. No. {...} dated {...}, (b) Bidders' technical & commercial bid (in case of two part bid) and (c) subsequent correspondences between BHEL and the bidders, if any.

#### **1. Procedure of Reverse Auctioning**

- i. Online Sealed Bid: This duration of online sealed bid will be {...} minutes. All bidders to submit their online sealed bids during this period.
- ii. Online Reverse Auction: The 'opening price' i.e. start price for RA and 'bid decrement' will be decided by BHEL.
- iii. If BHEL decides the lowest online sealed bid as the starting price, then the lowest bidder in online sealed bid shall be shown as current L1 automatically by the system and no acceptance of that price is required. System shall have the provision to indicate this bid as current L1.
- iv. Bidders by offering a minimum bid decrement or the multiples thereof can displace a standing lowest bid and become "L1" and this continues as an iterative process.
- v. After the completion of the online reverse auction, the Closing Price (CP) shall be available for further processing.

**2. Schedule for Reverse Auction:** The Reverse Auction is tentatively scheduled on {date}: and the duration of online sealed bid will be {...} minutes. All bidders to submit their online sealed bids during this period.

- Online Sealed Bid:-

- {Start Time:
- Close Time: }

- Online Reverse Auction:-

- {Start Time:
- Close Time: }

**3. Auction extension time:** If a bidder places a bid in the last {...} minutes of closing of the Reverse Auction and if that bid gets accepted, then the auction's duration shall get extended automatically for another {...} minutes, for the entire auction (i.e. for all the items in the auction), from the time that bid comes in. Please note that the auto-extension will take place only if a bid comes in those last {...} minutes and if that bid gets accepted as the lowest bid. If the bid does not get accepted as the lowest bid, the auto-extension will not take place even if that bid might have come in the last {...} minutes.

In case, there is no bid in the last {...} minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension. However, bidders are advised not to wait till the last minute or last few seconds to enter their bid during the auto-extension period to avoid complications related with internet connectivity, network problems, system crash down, power failure, etc.

The above process will continue till completion of Reverse Auction.

Complaints/ Grievances, if any, regarding denial of service or any related issue should be given in writing thru e-mail/ fax to M/s. {Service provider} with a copy to BHEL within 15 minutes prior to initial closing time of Online Reverse Auction.

**Signature of Tenderer**

**Issuing Officer**

- 4. Bid price:** The Bidder has to quote the {.....} Price inclusive of Packing & Forwarding charges, all the routine & type tests as per tender scope, ED + cess, CST against C-form, Freight (bidder to provide original Freight paid receipt), insurance charges, etc. including loading (if indicated by BHEL due to deviations in technical/ commercial terms) for the Items specified. Details are as shown in Excel Sheet for calculation of total cost to BHEL(To be specified by Unit as per NIT conditions).
- 5. Bidding currency and unit of measurement:** Bidding will be conducted in Indian Rupees per Unit of the material as per the specifications {...} In case of foreign currency bids, exchange rate (TT selling rate of State Bank of India) as on scheduled date of tender opening (Part-I bid) shall be considered for conversion in Indian Rupees. If the relevant day happens to be a Bank holiday, then the forex rate as on the previous bank (SBI) working day shall be taken.
- 6. Validity of bids:** Price shall be valid for {... days} from the date of reverse auction. These shall not be subjected to any change whatsoever.
- 7. Lowest bid of a bidder:** In case the bidder submits more than one bid, the lowest bid at the end of Online Reverse Auction will be considered as the bidder's final offer to execute the work.
8. Bidders shall be assigned a Unique User Name & Password by M/s. {Service provider}. Bidders are advised to change the Password and edit the information in the Registration Page after the receipt of initial Password from M/s. {Service provider} to ensure confidentiality. All bids made from the Login ID given to the bidders will be deemed to have been made by the bidders/ bidders' company.
- 9. Post auction procedure:** BHEL will proceed with the Lowest Bid in the Reverse Auction for further processing.
10. Any commercial/ technical loading shall be intimated to bidders prior to RA. The excel sheet provided in this regard shall cover all these aspects. Commercial/ technical loading if any, shall be added by the respective bidder in its price during online sealed bid & Online Reverse Auction. Modalities of loading & de-loading shall be separately intimated to the bidders. The responsibility for correctness of total cost to BHEL shall lie with the bidders.
- 11 Computerized reverse auction shall be conducted by BHEL (through M/s. {Service Provider}), on pre-specified date, while the bidders shall be quoting from their own offices/place of their choice. Internet connectivity shall have to be ensured by bidders themselves. During the RA process if a bidder is not able to bid and requests for extension of time by FAX/ email/ phone then time extension of additional 15 minutes will be given by the service provider provided such requests come before 5 minutes of auction closing time. However, only one such request per bidder can be entertained.

Despite this extension if bidder fails to upload his prices due to extreme case of failure of Internet connectivity, (due to any reason whatsoever may be) it is the bidders' responsibility/ decision to send fax communication immediately to M/s. {Service provider}, furnishing the price the bidder wants to bid online with a request to the service provider to upload the faxed price online so that the service provider will upload that price online on behalf of the Bidder. It shall be noted clearly that the concerned bidder communicating this price to service provider has to solely ensure that the fax message is received by the service provider in a readable/ legible form and also the Bidder should simultaneously check up with service provider about the clear receipt of the price faxed. It shall also be clearly understood that the bidder shall be at liberty to send such fax communications of prices to be uploaded by the service provider only within the closure of Bid time and under no circumstance it shall be allowed beyond the closure of Bid time /reverse auction. It shall also be noted that the service provider should be given a reasonable required time by the bidders, to upload such prices online and if such required time is not available at the disposal of the Service provider at the time of receipt of the fax message from the bidders, the service provider will not be uploading the prices and either BHEL or the service provider are not responsible for this unforeseen circumstances. In order to ward-off such contingent situation bidders are requested to make all the necessary arrangements/ alternatives whatever required so that they are able to circumvent such situation and still be able to participate in the reverse auction successfully. Failure of power or loss of connectivity at the premises of bidders during the Reverse auction cannot be the cause for not participating in the reverse auction. On account of this, the time for the auction cannot be extended and neither BHEL nor M/s. {Service provider} is responsible for such eventualities.

Signature of Tenderer

Issuing Officer

**12. Proxy bids:** Proxy bidding feature is a pro-bidder feature to safeguard the bidder's interest of any internet failure or to avoid last minute rush. The proxy feature allows bidders to place an automated bid in the system directly in an auction and bid without having to enter a new amount each time a competing bidder submits a new offer. The bid amount that a bidder enters is the minimum that the bidder is willing to offer. Here the software bids on behalf of the bidder. This obviates the need for the bidder participating in the bidding process until the proxy bid amount is decrementally reached by other bidders. When proxy bid amount is reached, the bidder (who has submitted the proxy bid) has an option to start participating in the bidding process.

The proxy amount is the minimum amount that the bidder is willing to offer. During the course of bidding, the bidder cannot delete or change the amount of a proxy bid.

Bids are submitted in decrements (decreasing bid amounts). The application automates proxy bidding by processing proxy bids automatically, according to the decrement that the auction originator originally established when creating the auction, submitting offers to the next bid decrement each time a competing bidder bids, regardless of the fact whether the competing bids are submitted as proxy or standard bids. However, it may please be noted that if a manual bid and proxy bid are submitted at the same instant manual bid will be recognized as the L1 at that instant.

In case of more than one proxy bid, the system shall bid till it crosses the threshold value of 'each lowest proxy bid' and thereafter allow the competition to decide the final L1 price.

Proxy bids are fed into the system directly by the respective bidders. As such this information is privy only to the respective bidder(s).

13. Bidders are advised to get fully trained and clear all their doubts such as refreshing of screen, quantity being auctioned, tender value being auctioned etc from M/s. {Service provider}.

14. M/s. {Service provider}, shall arrange to demonstrate/ train the bidder or bidder's nominated person(s), without any cost to bidders. M/s. {Service provider}, shall also explain the bidders, all the business rules related to the Reverse Auction. Bidders are required to submit their acceptance to the terms/ conditions/modalities before participating in the Reverse Auction in the process compliance form as enclosed. Without this, the bidder will not be eligible to participate in the event.

15. Successful bidder shall be required to submit the final prices (L1) in prescribed format (Annexure-VI) for price breakup including that of line items, if required, quoted during the Online Reverse Auction, duly signed and stamped as token of acceptance without any new condition (other than those already agreed to before start of auction), after the completion of auction to M/s. {Service provider} besides BHEL within two working days of Auction without fail.

16. Any variation between the final bid value and that in the confirmatory signed price breakup document will be considered as tampering the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)).

17. Bidders' bid will be taken as an offer to execute the work/ supplies of the item as per enquiry no. {...} dt. {...}. Bids once made by the bidder, cannot be cancelled/ withdrawn and bidder shall be bound to execute the work as mentioned above at bidder's final bid price. Should bidder back out and not execute the contract as per the rates quoted, BHEL shall take action as per extant guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)).

18. Bidders shall be able to view the following on their screen along with the necessary fields during Online Reverse Auction:

- a. Leading (Running Lowest) Bid in the Auction (only total price of package).
- b. Bid Placed by the bidder.
- c. Start Price.
- d. Decrement value.
- e. Rank of their own bid during bidding as well as at the close of auction.

**Signature of Tenderer**

**Issuing Officer**

19. BHEL's decision on award of contract shall be final and binding on all the Bidders.
20. BHEL reserves the right to extend, reschedule or cancel the Reverse Auction process at any time, before ordering, without assigning any reason, with intimation to bidders.
21. BHEL shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause. In such cases, the decision of BHEL shall be binding on the bidders.
22. Other terms and conditions shall be as per bidder's techno-commercial offers and other correspondences, if any, till date.
23. If there is any clash between this business document and the FAQ available, if any, in the website of M/s. {Service provider}, the terms & conditions given in this business document will supercede the information contained in the FAQs. Any changes made by BHEL/ service provider (due to unforeseen contingencies) after the first posting shall be deemed to have been accepted if the bidder continues to access the portal after that time.
24. Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action as per extant BHEL guidelines for suspension of business dealings (as available on [www.bhel.com](http://www.bhel.com)), shall be initiated by BHEL.

**Signature of Tenderer**

**Issuing Officer**

## 9.0 Integrity Pact (IP)

(a) IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. A panel of Independent External Monitors (IEMs) have been appointed to oversee implementation of IP in BHEL.

The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory who signs in the offer) along with techno-commercial bid. Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.

Details of IEM for this tender is furnished below:

Name : Shri D.R.S Chaudhary, IAS (Retd.)  
Address : Flat No. L-202 & L-203 (1st Floor), Ansal Lake View Enclave, Shamlia Hills  
Bhopal- 462 013 (M.P.)  
Email : dilip.chaudhary@icloud.com

(b) Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to the IEM mentioned in the tender.

Note:

No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department

For all clarifications/ issues related to the tender, please contact:

Name : N.Venkata Subbaiah  
Dept. : CWSCC-CMM division  
Address : 4<sup>th</sup> Floor, Admn. Bldg, BHEL, R.C.Puram  
Phone : 040-23184518  
Email : subbu@bhel.in

## **9.1 INTEGRITY PACT**

### **Between**

Bharat Heavy Electricals Ltd. (BHEL), a company registered under the Companies Act 1956 and having its registered office at “BHEL House”, Siri Fort, New Delhi – 110049 (India) hereinafter referred to as “The Principal”, which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the ONE PART

**and**

\_\_\_\_\_, (description of the party along with address), hereinafter referred to as “The Bidder/ Contractor” which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the OTHER PART

### **Preamble**

The Principal intends to award, under laid-down organizational procedures, contract/s for

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_. The Principal values full compliance with all relevant laws of the land, rules and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder(s)/ Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitor(s), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

## **Section 1 – Commitments of the Principal**

- 1.1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles: -
  - 1.1.1 No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
  - 1.1.2 The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
  - 1.1.3 The Principal will exclude from the process all known prejudiced persons.
- 1.2 If the Principal obtains information on the conduct of any of its employees which is a penal offence under the Indian Penal Code 1860 and Prevention of Corruption Act 1988 or any other statutory penal enactment, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

## **Section 2 – Commitments of the Bidder(s)/ Contractor(s)**

- 2.1 The Bidder(s)/ Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
  - 2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material, immaterial or any other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
  - 2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
  - 2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal offence under the relevant IPC/ PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  - 2.1.4 The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

**Signature of Tenderer**

**Issuing Officer**

### **Section 3 – Disqualification from tender process and exclusion from future Contracts**

If the Bidder(s)/ Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above, or acts in any other manner such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidders(s)/ Contractor(s) from the tender process or take action as per the separate “Guidelines for Suspension of Business Dealings with Suppliers/ Contractors” framed by the Principal.

### **Section 4 – Compensation for Damages**

- 4.1 If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.
- 4.2 If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.

### **Section 5 – Previous Transgression**

- 5.1 The Bidder declares that no previous transgressions occurred in the last 3 years with any other company in any country conforming to the anti-corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
- 5.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

### **Section 6 – Equal treatment of all Bidders/ Contractors/ Sub-contractors**

- 6.1 The Bidder(s)/ Contractor(s) undertake(s) to demand from his sub-contractors a commitment consistent with this Integrity Pact. This commitment shall be taken only from those sub-contractors whose contract value is more than 20% of Bidder’s/ Contractor’s contract value with the Principal.
- 6.2 The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- 6.3 The Principal will disqualify from the tender process all bidders who do not sign this pact or violate its provisions.

### **Section 7 – Criminal Charges against violating Bidders/ Contractors /Sub-contractors**

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

### **Section 8 –Independent External Monitor(s)**

- 8.1 The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- 8.2 The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, BHEL.

**Signature of Tenderer**

**Issuing Officer**

- 8.3 The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction to all contract documentation of the Principal including that provided by the Bidder(s)/ Contractor(s). The Bidder(s)/ Contractor(s) will grant the monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his contract documentation. The same is applicable to Sub-contractor(s). The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s) / Sub-contractor(s) with confidentiality.
- 8.4 The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the contract provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- 8.5 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or heal the situation, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- 8.6 The Monitor will submit a written report to the CMD, BHEL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- 8.7 If the Monitor has reported to the CMD, BHEL, a substantiated suspicion of an offence under relevant IPC / PC Act, and the CMD, BHEL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.
- 8.8 The number of Independent External Monitor(s) shall be decided by the CMD, BHEL
- 8.9 The word 'Monitor' would include both singular and plural.

### **Section 9 – Pact Duration**

- 9.1 This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the respective contract and for all other Bidders 6 months after the contract has been awarded.
- 9.2 If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified as above, unless it is discharged/ determined by the CMD, BHEL.

### **Section 10 – Other Provisions**

- 10.1 This agreement is subject to Indian Laws and jurisdiction shall be registered office of the Principal, i.e. New Delhi.
- 10.2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- 10.3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- 10.4 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

**Signature of Tenderer**

**Issuing Officer**

Only those bidders/ contractors who have entered into this agreement with the Principal would be competent to participate in the bidding. In other words, entering into this agreement would be a preliminary qualification

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For & On behalf of the Principal

(Office Seal)

-----

For & On behalf of the Bidder/ Contractor

(Office Seal)

Place-----

Date-----

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

(Name & Address) \_\_\_\_\_

(Name & Address) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**MSME Supplier**

MSE suppliers can avail the intended benefits (Tender documents fee of cost, exemption of EMD) only if they submit along with the offer, attested copies of either EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with attested copy of a CA certificate ( Format enclosed at Annexure-1 where deemed validity of EM II certificate of five years has expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of bid opening (Part 1 in case of two part bid). Non submission of such documents will lead to consideration of their bid at par with other bidders. No benefit shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through e- procurement portal, then the above required documents are to be uploaded on the portal. Documents should be notarized or attested by a Gazetted officer

**Annexure-I**

**Certificate by Chartered Accountant on letter head**

This is to Certify that M/s.....  
 (hereinafter referred to as 'company' ) having its registered office at ..... is  
 registered under MSMED Act 2006, (Entrepreneur Memorandum No (Part-II)  
 .....dtd: ..... Category:  
 ..... (Micro/Small). (Copy enclosed)

Further verified from the Books of Accounts that the investment of the company as on date  
 ..... as per MSMED Act 2006 is as follows:

1. **For manufacturing Enterprises:** Investment in plant and machinery (i.e. original cost excluding land and building and the items specified by the Ministry of Small Scale industries vie its notification No. S.O. 1722 (E) dated October 5, 2006 :)  
 Rs. ....Lacs
  
2. **For Service Enterprises:** Investment in equipment (original cost excluding land and building and furniture fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act.2006.)  
 Rs..... Lacs

The above investment of Rs..... Lacs is within permissible limit of  
 Rs..... Lacs for ..... Micro/ Small (strike off which is not applicable)  
 Category under MSMED Act 2006.

Date:

(Signature)

Name:

Membership number:

Seal of Chartered Accountant

**11.0 DECLARATION BY TENDERER**

I, -----, aged ----- Yrs., S/o -----,  
residing at -----

Hereby declare as follows:

- (i) That my nationality is \_\_\_\_\_.
- (ii) That I am a major and eligible to enter into contract / my firm / my company is competent to enter into an agreement.
- (iii) I shall employ only such personnel who have not been found unfit for employment in Organizations such as Central / state / Public undertaking by the Police Authorities.
- (iv) I shall not employ persons against whom Criminal cases are pending or under investigation.
- (v) I shall also not employ persons found guilty of offences involving moral turpitude for executing work in BHEL contracts.
- (vi) That there are no Criminal cases pending or under investigation against me or my firm or company.
- (vii) I have not been found guilty of offences involving moral turpitude nor any of the company directors / partners of my firm have been found guilty of offences involving moral turpitude.
- (viii) Neither I nor my firm nor my company has been declared insolvent in the past.
- (ix) I have taken due care and efforts to furnish only information which are true in the tender document.
- (x) I shall employ labours who are more than 18 years of age and having sound physical and mental health.
- (xi) I shall keep Photograph / identity proof / residential proof of the labourers to be employed against this tender and arrange for police verification.

[Signature with Name & seal of the Tenderer]

Date :

Place :