

*1.2.4 Tenderers whose bids are found techno commercially qualified shall be informed the date and time of opening of the Price Bids and such Tenderers may depute their representatives to witness the opening of the price bids. BHEL's decision in this regard shall be final and binding.*

*1.2.5 Before submission of Offer, the tenderers are advised to inspect the site of work and the environments and be well acquainted with the actual working and other prevalent conditions, facilities available, position of material and labour, means of transport and access to Site, accommodation, etc. No claim will be entertained later on the grounds of lack of knowledge of any of these conditions.*

### **1.3. LANGUAGE**

*1.3.1 The tenderer shall quote the rates in English language and international numerals. These rates shall be entered in figures as well as in words. For the purpose of the tenders, the metric system of units shall be used.*

*1.3.2 All entries in the tender shall either be typed or written legibly in ink. Erasing and over-writing is not permitted and may render such tenders liable for rejection. All cancellations and insertions shall be duly attested by the tenderer.*

### **1.4 PRICE DISCREPANCY:**

#### **1.4.1 Conventional (Manual) Price Bid opening:**

*i) If, in the price structure quoted for the required goods/services/works, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of BHEL there is obvious misplacement of decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly*

*ii) 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;*

*iii) 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.*

*iv) 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 BHEL, the bid is liable to be ignored.*

*v) In case of lump sum price, if there is any difference between the amount in figures and in words, the amount quoted by the bidder in words shall be taken as correct.*

vi) *In case of omission in quoting any rate for one or more items, the evaluation shall be done considering the highest quoted rate obtained against the respective items by other tenderers for the subject tender. If the tenderer becomes L-1, the notional rates for the omission items shall be the lowest rates quoted for the respective items by the other tenderers against the respective omission items for the subject job and the 'Total quoted price (loaded for omissions)' shall be arrived at. However the overall price remaining the same as quoted originally, the rates for all the items in the 'Total quoted price (loaded for omissions)' shall be reduced item wise in proportion to the ratio of 'Original' total price and the 'Total quoted price (loaded for omissions)'.*

**1.4.2 Reverse Auction:** *In case of Reverse Auction, the successful bidder shall undertake to execute the work as per overall price offered by him during the Reverse Auction process. In case of omission of rates, the procedure shall be as per 'Guidelines for Reverse Auction' enclosed.*

- i) Offers from tenderers who are under suspension (banned) by any Unit/Region/Division of BHEL shall not be considered.*
- ii) Offers from tenderers who do not comply with the latest guidelines of Ministry/Commissions of Govt of India shall not be considered.*

### **1.5. EVALUATION OF BIDS**

*i) Technical Bids submitted by the tenderer will be opened first and evaluated for fulfilling the Pre-Qualification criteria and other conditions in NIT/Tender documents, based on documentary evidences submitted along with the offer, BHEL reserves the right to ask for proofs/documents, clarification in relation to Technical/commercial data during tender evaluation*

*ii) Price Bids of shortlisted bidders shall only be opened either through the conventional price bid opening or through electronic Reverse Auction, at the discretion of BHEL*

*iii) Price Bids of unqualified bidders shall not be opened. Reasons for rejection shall be intimated to the vendor before the opening of Price bid.*

### **1.6. DATA TO BE ENCLOSED**

*The following information in full shall be furnished by the tenderer. Non-submission of this information may lead to rejection of the offer.*

- i) INCOME TAX PERMANENT ACCOUNT NUMBER, GSTIN, SAC, HSN Certified copies of PAN, GSTIN shall be furnished along with tender. The names, addresses and contact information of the Directors/Partners shall be furnished along with the offer.*
- ii) An attested copy of the Power of Attorney, in case the tender is signed by an individual other than the sole proprietor.*

**iii) IN CASE OF INDIVIDUAL TENDERER:**

*His / her full name, address, PAN, GSTIN and place & nature of business to be furnished.*

**iv) IN CASE OF PARTNERSHIP FIRM**

*The names of all the partners and their addresses, a copy of the partnership deed/instrument of partnership shall be enclosed.*

**v) IN CASE OF COMPANIES:**

*Date and place of registration including date of commencement certificate in case of Public Companies (certified copies of Memorandum and articles of Association are also to be furnished). Nature of business carried on by the Company and the provisions of the Memorandum relating thereof.*

**1.7. AUTHORISATION AND ATTESTATION**

*Tenders shall be signed by a person duly authorised/empowered to do so. An attested copy of the Power of Attorney, in case the tender is signed by an individual other than the sole proprietor shall be submitted along with the tenders*

**1.8. EARNEST MONEY DEPOSIT**

*1.8.1 Every tender must be accompanied by the prescribed amount of Earnest Money Deposit (EMD) in the manner described herein.*

*The EMD may be accepted only in the following forms:*

- (i) Electronic Fund Transfer credited in BHEL account (before tender opening)*
- (ii) Banker's cheque/ Pay order/ Demand draft, in favor of BHEL (along with offer) In case total EMD amount is more than Rs 20 Lakh, the amount in excess of Rs 20 lakh may be accepted in the form of Bank Guarantee from scheduled bank. The Bank Guarantee in such cases shall be valid for at-least six months.*
- (iii) Through SBI collect (before tender opening)*
- (iv) No other form of EMD remittance shall be acceptable to BHEL*

*1.8.2 EMD by the bidder will be forfeited as per Tender Documents if*

- i) After opening the tender and within the offer validity period, the tenderer revokes his/her 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.*
- iii) EMD by the tenderer shall be withheld in case any action on the tenderer is envisaged in derailing the tender process by unlawful means*

*1.8.3 EMD shall not carry any interest.*

*1.8.4 In the case of unsuccessful bidders, the Earnest Money will be refunded to them within a reasonable time after acceptance of award by successful tenderer.*

*1.8.5 EMD of successful tenderer will be converted as part of Security Deposit*

### **1.9. SECURITY DEPOSIT**

*The total amount of Security Deposit will be 5% of the contract value (including all applicable taxes) EMD of the successful tenderer shall be converted and adjusted towards the required amount of Security Deposit.*

#### **1.9.1 Modes of Security deposit:**

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

- i) Cash (as permissible under the extant Income Tax Act)*
- ii) Local cheques of Scheduled Banks (subject to realization)/ Pay Order/ Demand Draft/ Electronic Fund Transfer in favour of BHEL*
- iii) Bank Guarantee from Scheduled Banks/ Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL*
- iv) 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)*
- v) 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)*
- vi) 50% of the required Security Deposit, including the EMD, should be paid 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. Security Deposit shall be released to the Contractor upon fulfilment of contractual obligations as per terms of the contract.*

*1.9.2 The Security Deposit shall not carry any interest.*

*1.9.3 The validity of Bank Guarantees towards Security Deposit shall be initially up to the completion period as stipulated in the Letter of Intent/Award ( plus maintenance period if applicable), and 03 months claim period. The same shall be kept valid by proper renewal till the acceptance of Final Bills of the Contractor, by BHEL*

*1.9.4 BHEL reserves the right of forfeiture of Security Deposit in addition to other claims and penalties in the event of the Contractor's failure to fulfill any of the contractual obligations or in the event of termination of contract as per terms and conditions of contract. BHEL reserves the right to set off the Security Deposit against any claims of other contracts with BHEL.*

### **1.10. REFUND OF SECURITY DEPOSIT**

*50% of the security deposit may be refunded on completion of the work after payment of the final bill and the balance 50% of the security deposit is refunded only after the expiry of the maintenance period from date of completion of work as stipulated in the contract concerned.*

#### **1.10.1 DEFECTS LIABILITY PERIOD:**

*The contractor shall be responsible to make good and remedy at his own expenses within such period as may be stipulated by the Engineer-in-charge, any defect which may develop or may be noticed before the expiry of the maintenance period of six months or as stipulated in NIT hereto from the certified date of completion and intimation of which has been sent to the contractor within seven days of the expiry of the said period by a letter sent by hand delivery or by registered post or Email. If contractor fails to attend to the above, defect will be rectified at contractor's risk & cost and same will be deducted from the security deposit/payable amounts available with BHEL.*

### **1.11. BANK GUARANTEES**

*Where ever Bank Guarantees are to be furnished/submitted by the contractor, the following shall be complied with*

- i) Bank Guarantees shall be from Scheduled Banks / Public Financial Institutions as defined in the Companies Act.*
- ii) The Bank Guarantees shall be as per prescribed BHEL formats.*
- iii) It is the responsibility of the bidder to get the Bank Guarantees revalidated/extended for the required period (subject to a minimum period of six months), as per the advice of BHEL. BHEL shall not be liable for issue of any reminders regarding expiry of the Bank Guarantees.*
- iv) In case extension/further extensions of any Bank Guarantees are not required, the bidders shall ensure that the same is explicitly endorsed by BHEL*
- v) In case the Bank Guarantees are not extended before the expiry date, BHEL reserves the right to invoke the same by informing the concerned Bank in writing, without any advance notice/communication to the concerned bidder.*
- vi) Bidders to note that any corrections to Bank Guarantees shall be done by the issuing Bank, only through an amendment in an appropriate non judicial stamp paper.*
- vii) The Original Bank Guarantee shall be sent directly by the Bank to BHEL under Registered Post (Acknowledgement Due).*



**1.12. VALIDITY OF OFFER**

*The rates in the Tender shall be kept open for acceptance for a minimum period of Ninety (90) DAYS from latest due date of offer submission (including extension, if any). In case BHEL calls for negotiations, such negotiations shall not amount to cancellation or withdrawal of the original offer which shall be binding on the tenderers.*

**1.13 EXECUTION OF CONTRACT AGREEMENT**

*The successful tenderer's responsibility under this contract commences from the date of issue of the Letter of Intent by BHEL. The Tenderer shall submit an unqualified acceptance to the Letter of Intent/Award within the period stipulated therein.*

*The successful tenderer shall be required to execute an agreement in the prescribed form, with BHEL, within fifteen days (15 days) after the acceptance of the Letter of Intent/Award, and in any case before releasing the first running bill. The contract agreement shall be signed by a person duly authorized/empowered by the tenderer. The expenses for preparation of agreement document shall be borne by Tenderer.*

**1.14. REJECTION OF TENDER AND OTHER CONDITIONS**

*1.14.1 The acceptance of tender will rest with BHEL which does not bind itself to accept the lowest tender or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever:-*

- a. To reject any or all of the tenders.*
- b. To split up the work amongst two or more tenderers as per NIT*
- c. To award the work in part if specified in NIT*
- d. In case of either of the contingencies stated in (b) and (c) above, the time for completion as stipulated in the tender shall be applicable.*

*1.14.2 Conditional tenders, unsolicited tenders, tenders which are incomplete or not in the form specified or defective or have been materially altered or not in accordance with the tender conditions, specifications etc., are liable to be rejected.*

*1.14.3 Tenders are liable to be rejected in case of unsatisfactory performance of the tenderer with BHEL, or tenderer under suspension (hold/banning /delisted ) by any unit / region / division of BHEL or tenderers who do not comply with the latest guidelines of Ministry/Commissions of Govt of India. BHEL reserves the right to reject a bidder in case it is observed that they are overloaded and may not be in a position to execute this job. The decision of BHEL will be final in this regard.*

*1.14.4 If a tenderer who is a proprietor expires after the submission of his tender or after the acceptance of his tender, BHEL may at their discretion, cancel such tender. If a partner of a firm expires after the submission of tender or after the acceptance of the tender, BHEL may then cancel such tender at their discretion, unless the firm retains its character.*

*1.14.5 BHEL will not be bound by any Power of Attorney granted by changes in the composition of the firm made subsequent to the execution of the contract. They may, however, recognize such power of Attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor concerned.*

*1.14.6 If the tenderer deliberately gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract if awarded and forfeit the Earnest Money/Security Deposit/any other money due.*

*1.14.7 Canvassing in any form in connection with the tenders submitted by the Tenderer shall make his offer liable to rejection.*

*1.14.8 In case the Proprietor, Partner or Director of the Company/Firm submitting the Tender, has any relative or relation employed in BHEL, the authority inviting the Tender shall be informed, along with the Offer. Failing to do so, BHEL may, at its sole discretion, reject the tender or cancel the contract and forfeit the Earnest Money/Security Deposit.*

*1.14.9 The successful tenderer should not sub-contract part or complete work detailed in the tender specification undertaken by him without written permission of BHEL's Construction Manager/Site Incharge. The tenderer is solely responsible to BHEL for the work awarded to him.*

*1.14.10 The Tender submitted by a techno commercially qualified tenderer shall become the property of BHEL who shall be under no obligation to return the same to the bidder. However unopened price bids and late tenders shall be returned to the bidders after finalization of contract.*

*1.14.11 Unsolicited discount received after the due date and time of Bid Submission shall not be considered for evaluation. However, if the party who has submitted the unsolicited discount/rebate becomes the L-I party, then the awarded price i.e contract value shall be worked out after considering the discount so offered.*

*1.14.12 BHEL shall not be liable for any expenses incurred by the bidder in the preparation of the tender irrespective of whether the tender is accepted or not.*

### **1.15 BHEL Fraud Prevention Policy :**

*The bidder along with its associate/ collaborators/sub-contractors/ Sub-Vendors/ Consultants/service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website <http://www.bhel.com> and shall immediately bring to the notice of BHEL Management about any fraud or suspected fraud as soon as it comes to their notice. Fraud prevention policy and list of Nodal officers shall be hosted on BHEL website, vendor portals of Units/Regions Internet.*

## **CHAPTER-2**

*2.1 DEFINITION: The following terms shall have the meaning hereby assigned to them except where the context otherwise requires*

- i) BHEL shall mean Bharat Heavy Electricals Limited, a company registered under Companies Act 1956, with its Registered Office at BHEL HOUSE, SIRI FORT, NEW DELHI – 110 049, or its Authorised Officers or its Site Engineers or other employees authorised to deal with any matters with which these persons are concerned on its behalf.*
- ii) “EXECUTIVE DIRECTOR” or ‘GROUP GENERAL MANAGER’ or “GENERAL MANAGER (Incharge)” or “GENERAL MANAGER” shall mean the Officer in Electronics Division, Mysore road, Bengaluru-560026*
- iii) “COMPETENT AUTHORITY” shall mean Executive Director or Group General Manager or General Manager (In-charge) or General Manager or BHEL Officers who are empowered to act on behalf of the Executive Director or General Manager (In-charge) or General Manager of BHEL.*
- iv) “ENGINEER” or “ENGINEER IN CHARGE” shall mean an Officer of BHEL as may be duly appointed and authorized by BHEL to act as “Engineer” on his behalf for the purpose of the Contract, to perform the duty set forth in this General Conditions of Contract and other Contract documents. The term also includes ‘CONSTRUCTION MANAGER’ or ‘SITE INCHARGE’ as well as Officers*
- v) “SITE” shall mean the places or place at which the plants/equipment are to be erected and services are to be performed as per the specification of this Tender.*
- vi) “CLIENT OF BHEL” or “CUSTOMER” shall mean the project authorities with whom BHEL has entered into a contract for supply of equipment or provision of services.*
- vii) “CONTRACTOR” shall mean the successful Bidder/Tenderer who is awarded the Contract and shall include the Contractor’s successors, heirs, executors, administrators and permitted assigns.*



viii) *“CONTRACT” or “CONTRACT DOCUMENT” shall mean and include the Work Order, Contract Agreement, the accepted appendices of Rates, Schedules, Quantities if any, General Conditions of Contract, Special Conditions of Contract, Instructions to the Tenderers, Drawings, Technical Specifications, the Special Specifications if any, the Tender documents, subsequent amendments mutually agreed upon and the Letter of Intent/Acceptance issued by BHEL. Any conditions or terms stipulated by the contractor in the tender documents or subsequent letters shall not form part of the contract unless, specifically accepted in writing by BHEL in the Letter of Intent/Award and incorporated in the agreement.*

ix) *“GENERAL CONDITIONS OF CONTRACT” shall mean the ‘Instructions to Tenderers’ and ‘General Conditions of Contract’ pertaining to the work for which above tenders have been called for.*

x) *“TENDER SPECIFICATION” or “TENDER” or “TENDER DOCUMENTS” shall mean General Conditions, Common Conditions, Special Conditions, Price Bid, Rate Schedule, Technical Specifications, Appendices, Annexures, Corrigendum’s, Amendments, Forms, procedures, Site information, etc and drawings/documents pertaining to the work for which the tenderers are required to submit their offers. Individual specification number will be assigned to each Tender Specification.*

xi) *“LETTER OF INTENT” shall mean the intimation by a Post/Fax/email to the tenderer that the tender has been accepted in accordance with provisions contained in the letter. The responsibility of the contractor commences from the date of issue of this letter and all terms and conditions of the contract are applicable from this date.*

xii) *“COMPLETION TIME” shall mean the period by ‘date/month’ specified in the ‘Letter of Intent/Award’ or date mutually agreed upon for handing over of the intended scope of work, the erected equipment/plant which are found acceptable by the Engineer, being of required standard and conforming to the specifications of the Contract.*

xiii) *“PLANT” shall mean and connote the entire assembly of the plant and equipment’s covered by the contract.*

xiv) *“EQUIPMENT” shall mean equipment, machineries, materials, structural, electrical and other components of the plant covered by the contract.*

xv) *“TESTS” shall mean and include such test or tests to be carried out on the part of the contractor as are prescribed in the contract or considered necessary by BHEL, in order to ascertain the quality, workmanship, performance and efficiency of the contractor or part thereof.*

xvi) *“APPROVED”, “DIRECTED” or “INSTRUCTED” shall mean approved, directed or instructed by BHEL.*

xvii) *“WORK or CONTRACT WORK” shall mean and include supply of all categories of labour, specified consumables, tools and tackles and Plants required for complete and satisfactory site transportation, handling, stacking, storing, erecting, testing and commissioning of the equipment’s to the entire satisfaction of BHEL.*

xviii) *“SINGULAR AND PLURALS ETC” words carrying singular number shall also include plural and vice versa, where the context so requires. Words imparting the masculine Gender shall be taken to include the feminine Gender and words imparting persons shall include any Company or Associations or Body of Individuals, whether incorporated or not.*

xix) *“HEADING” – The heading in these General Conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken as instructions thereof or of the contract.*

xx) *“MONTH” shall mean calendar month unless otherwise specified in the Tender.*

xxi) *Day’ or ‘Days’ unless herein otherwise expressly defined shall mean calendar day or days of twenty four (24) hours each. A week shall mean continuous period of seven (7) days.*

xxii) *“COMMISSIONING” shall mean the synchronization testing and achieving functional operation of the Equipment with associated system after all initial adjustments, trials, cleaning, re-assembly required at site if any, have been completed and Equipment with associated system is ready for taking into service.*

xxiii) *“WRITING” shall include any manuscript type written or hand written or printed statement or electronically transmitted messages, under the signature or seal or transmittal of BHEL.*

xxiv) *“TEMPORARY WORK” shall mean all temporary works for every kind required in or for the execution, completion, maintenance of the work.*

xxv) *‘CONTRACT PRICE’ or ‘CONTRACT VALUE’ shall mean the sum including applicable taxes mentioned in the LOI/LOA/Contract Agreement subject to such additions thereto or deductions there from as may be made under provisions hereinafter contained*

xxvi) *“COMMENCEMENT DATE” or “START DATE” shall mean the commencement/start of work at Site as per terms defined in the Tender*

xxvii) *“SHORT CLOSING” or “FORE CLOSING” of Contract shall mean the premature closing of Contract, for reasons not attributable to the contractor and mutually agreed between BHEL and the contractor*

xxviii) *“TERMINATION” of Contract shall mean the pre mature closing of contract due to reasons as mentioned in the contract*

## **2.2 LAW GOVERNING THE CONTRACT AND COURT JURISDICTION**

*The contract shall be governed by the Law for the time being in force in the Republic of India. The Civil Court having original Civil Jurisdiction at Bengaluru, shall alone have exclusive jurisdiction in regard to all claims in respect of the Contract. No other Civil Court shall have jurisdiction in case of any dispute, under this contract*

## **2.3 ISSUE OF NOTICE**

*2.3.1 Service of notice on contractor: Any notice to be given to the Contractor under the terms of the contract shall be served by sending the same by Registered Post / Speed Post / FAX / Email to or leaving the same at the Contractor's last known address of the principal place of business (or in the event of the contractor being a company, to or at its Registered Office). In case of change of address, the notice shall be served at changed address as notified in writing by the Contractor to BHEL. Such posting or leaving of the notice shall be deemed to be good service of such notice and the time mentioned to the condition for doing any act after notice shall be reckoned from the date so mentioned in such notice.*

*2.3.2 Service of notice on BHEL Any notice to be given to BHEL in-charge under the terms of the Contract shall be served by sending the same by post or Email or leaving the same at BHEL address or changed address as notified in writing by BHEL to the Contractor.*

## **2.4 USE OF LAND**

*No land belonging to BHEL or their Customer under temporary possession of BHEL shall be occupied by the contractor without written permission of BHEL.*

### **2.4.1 STORES AND MATERIALS:**

*The contractor shall, at his own expense, supply all stores and materials required for the contract, other than those which may be provided by BHEL at the rates detailed therein subject to their availability at the place of issue indicated therein. All stores and materials to be supplied by the Contractor shall be of the best kind as described in the Specifications and the Contractor shall, if required by the Engineer –in- charge furnish him with proof to his satisfaction that the store and materials so comply with the specifications.*

*The contractor shall, at his own expense and without delay, supply samples of stores and materials proposed to be used in the execution of the work for the approval of the Engineer-in charge, who may reject all stores and materials not corresponding either in quality or character to the approved samples.*

*In the case of stores provided by BHEL, the Contractor shall bear the cost of loading, transporting to site, unloading, storing under cover as required, assembling & jointing the several parts together as necessary and incorporating & fixing these stores & materials in the work, including all preparatory work of whatever description that may be required, and closing, preparing, loading and returning empty cases or containers to the place of issue without any extra charges.*

*Contractor is responsible for safe & secure storage of above material.*

**2.4.2 PATENT RIGHTS:**

*The contractor shall fully indemnify BHEL, or the agent, servant, or employee of BHEL, against any action, claim or proceeding relating to infringement or the use of any patent or design or any alleged patent or design rights, and shall pay any royalties which may be payable in respect of any article/ or part thereof included in the contract.*

*In the event of any claims being made or action brought against BHEL, or any agent, or servant or employee of BHEL., in respect of any of the matters aforesaid, the contractor shall not apply when such increment has taken place in complying with the specific directions issued by the BHEL but the contractor shall pay any royalties payable in respect of any such use.*

**2.4.3 WATER :**

*The contractor shall allow in his tender and provide at his cost all water required for the work or his employees on the work, together with all pipes and fittings or other means that may be necessary or required to ensure a proper and ample supply of water for all purpose connected with the work.*

*In the event of a provision existing in the Tender documents for supply of water on payment by BHEL, water will be supplied from the BHEL supply System, or other sources at any points fixed by the Site Engineer/ Engineer-in-charge on the site of work. The contractor shall make necessary arrangement for lifting, pumping, carrying or conveying the water as required at his own cost. The levy of water charges to be borne by the Contractor in such case shall be specifically mentioned in the Tender documents.*

**2.4.4 TEMPORARY WORKSHOPS, STORES ETC :**

*The Contractor shall, during the progress of the work provide, erect and maintain at his own expense all necessary temporary workshops, store, offices, toilets etc., required for the proper and efficient execution of the work. The planning, siting and erection of these building shall have the approval of the Engineer-in-charge and the Contractor shall at all times keep them in a clean and sanitized condition to the entire satisfaction of the Engineer-in-charge.*

*On completion of the work all such temporary buildings shall be cleared and the site restored to its original state in a clean and tidy condition to the entire satisfaction of the Engineer-in-charge.*

**2.5 COMMENCEMENT OF WORK**

*2.5.1 Time is essence of contract and is specified in the tender document or in each individual work order.*

*2.5.2 The contractor shall commence the work within seven(07) days from LOI/work order or as intimated by BHEL and shall proceed with the same with due expedition without delay.*

*2.5.3 If the contractor fails to start the work within stipulated time as per LOI or as intimated by BHEL, then BHEL at its sole discretion will have the right to cancel the contract. The Earnest Money and/or Security Deposit with BHEL will stand forfeited without any further reference to him without prejudice to any and all of BHEL's other rights and remedies in this regard.*

*2.5.4 All the work shall be carried out under the direction and to the satisfaction of BHEL.*

## **2.6 MEASUREMENT OF WORK AND MODE OF PAYMENT:**

*2.6.1 All payments due to the contractors shall be made by electronic mode only, unless otherwise found operationally difficult.*

*2.6.2 For progress running bill payments: - The Contractor shall present detailed measurement sheets in triplicate, duly indicating all relevant details based on technical documents and connected drawings for work done during the month/period under various categories in line with terms of payment as per contract. The basis of arriving at the quantities, weights shall be relevant documents and drawings released by BHEL. These measurement sheets shall be prepared jointly with BHEL Engineers and signed by both the parties.*

*2.6.3 These measurement sheets will be checked by BHEL Engineer and quantities and percentage eligible for payment under various groups shall be decided by BHEL Engineer. The abstract of quantities and percentage so arrived at based on the terms of payment shall be entered in Measurement Book and signed by both the parties.*

*2.6.4 Based on the above quantities, contractor shall prepare the bills in prescribed format and work out the financial value. These will be entered in Measurement Book and signed by both the parties. Payment shall be made by BHEL after effecting the recoveries due from the contractor.*

*2.6.5 All recoveries due from the contractor for the month/period shall be effected in full from the corresponding running bills unless specific approval from the competent authorities is obtained to the contrary.*

*2.6.6 Measurement shall be restricted to that portion of work for which it is required to ascertain the financial liability of BHEL under this contract.*

*2.6.7 The measurement shall be taken jointly by persons duly authorized on the part of BHEL and by the Contractor.*

*2.6.8 The Contractor shall bear the expenditure involved if any, in making the measurements and testing of materials to be used/used in the work. The contractor shall, without extra charges, provide all the assistance with appliances and other things necessary for measurement.*



*2.6.9 If at any time due to any reason whatsoever, it becomes necessary to re-measure the work done in full or in part, the expenses towards such re measurements shall be borne by the contractor unless such re measurements are warranted solely for reasons not attributable to contractor.*

*2.6.10 Passing of bills covered by such measurements does not amount to acceptance of the completion of the work measured. Any left out work has to be completed, if pointed out at a later date by BHEL.*

*2.6.11 Final measurement bill shall be prepared in the final bill format prescribed for the purpose based on the certificate issued by BHEL Engineer that entire works as stipulated in tender specification has been completed in all respects to the entire satisfaction of BHEL. Contractor shall give unqualified "No Claim" Certificate. All the tools and tackles loaned to him should be returned in satisfactory condition to BHEL. The abstract of final quantities and financial values shall also be entered in the Measurement Books and signed by both parties to the contract. The Final Bill shall be prepared and paid within a reasonable time after completion of work.*

## **2.7 RIGHTS OF BHEL**

*BHEL reserves the following rights in respect of this contract during the original contract period or its extensions if any, as per the provisions of the contract, without entitling the contractor for any compensation.*

*2.7.1 To withdraw any portion of work and/or to restrict/alter quantum of work as indicated in the contract during the progress of work and get it done through other agencies to suit BHEL's commitment to its customer or in case BHEL decides to advance the date of completion due to other emergent reasons/ BHEL's obligation to its customer.*

*2.7.2 To terminate the contract or get any part of the work done through other agency or deploy BHEL's own/hired/otherwise arranged resources , at the risk and cost of the contractor after due notice of a period of two weeks by BHEL, in the event of:-*

- i) Contractor's continued poor progress*
- ii) Withdrawal from or abandonment of the work before completion of the work*
- iii) Contractor's inability to progress the work for completion as stipulated in the contract*
- iv) Poor quality of work*
- v) Corrupt act of Contractor*
- vi) Insolvency of the Contractor*

vii) *Persistent disregard to the instructions of BHEL*

viii) *Assignment, transfer, sub-letting of contract without BHEL's written permission*

ix) *Non fulfillment of any contractual obligations / non-compliance of statutory requirements*

x) *In the opinion of BHEL, the contractor is overloaded and is not in a position to execute the job as per required schedule*

*2.7.3 To meet the expenses including BHEL overheads of 35% & Liquidated damage/penalties arising out of "Risk & Cost" as explained above under Sl.No. 2.7.2. BHEL shall recover the amount from any money due from Contractor, from any money due to the Contractor including Security Deposit or by forfeiting any T&P or material of the contractor under this contract or any other contract of BHEL or by any other means or any combination thereof*

*2.7.4 To terminate the contract or to restrict the quantum of work and pay for the portion of work executed in case BHEL's contract with their customer are terminated for any reason, as per mutual agreement.*

*2.7.5 To effect recovery from any amounts due to the contractor under this or any other contract or in any other form, the moneys BHEL is statutorily forced to pay to anybody, due to contractor's failure to fulfill any of his obligations. BHEL shall levy overheads of 35% on all such payments.*

*2.7.6 While every endeavor will be made by BHEL to this end, they cannot guarantee uninterrupted work due to conditions beyond their control. The Contractor will not be normally entitled for any compensation/extra payment on this account unless otherwise specified elsewhere in the contract.*

*2.7.7 In case the execution of works comes to a complete halt or reaches a stage wherein worthwhile works cannot be executed and there is no possibility of commencement of work for a period of not less than two months, due to reasons not attributable to the contractor and other than Force Majeure conditions, BHEL may consider permitting the contractor to demobilize forthwith and re mobilize at an agreed future date. Cost of such demobilization/remobilization shall be mutually agreed. ORC (Over run Charges) in such cases shall not be applicable for the period between the period of demobilization and re mobilisation. The duration of contract/time extension shall accordingly get modified suitably. In case of any conflict, BHEL decision in this regard shall be final and binding on the contractor.*

*2.7.8 In the unforeseen event of inordinate delay in receipt of materials, drawings, fronts, etc, due to which inordinate discontinuity of work is anticipated, BHEL at its discretion may consider contractor's request to short close the contract, provided that the balance works are minor vis a vis the scope of work envisaged as per the contract. At the point of requesting for*

*short closure, contractor shall establish that he has completed all works possible of completion and he is not able to proceed with the balance works due to constraints beyond his control. In such a case, the estimated value of the unexecuted portion of work as mutually agreed, shall however be reduced from the final contract value-*

#### **2.7.9 LIQUIDATED DAMAGES/PENALTY**

##### **COMPENSATION FOR DELAY:**

*If the contractor fails to maintain the required progress in terms of condition 2.10 or to complete the work and clear the site on or before the contracted or extended the period of completion, he shall, without prejudice to any other right or remedy of the BHEL on account of such breach, pay as agreed compensation an amount calculated as stipulated below*

*For unfinished anticipated value of work where finished portion is fit for use*

*Rate of compensation as follows:*

- *Completion period (as originally stipulated) not exceeding 6 months. ....@ 1 percent per week*
- *Completion period (as originally stipulated) Exceeding 6 months and not exceeding 2 years...@ 0.5 percent per week*
- *Completion period (as originally stipulated) exceeding 2 years..... @ 0.25 percent per week*

*Provided always that the total amount of compensation for delay to be paid under condition shall not exceed the under noted percentage of the anticipated contract value*

- *Completion period (as originally stipulated) not exceeding 6 months. ....@ 10 percent of anticipated value of work*
- *Completion period (as originally stipulated) Exceeding 6 months and not exceeding 2 years...@ 7.5 percent of anticipated value of work*
- *Completion period (as originally stipulated) Exceeding 2 years.....@ 5 percent of anticipated value of work*

*The amount of compensation may be adjusted or set off against any sum payable to the Contractor under this or any other contract with the BHEL.*

**2.7.10 POST TECHNICAL AUDIT OF WORK AND BILLS:** *BHEL reserve the right to carry out a post-payment audit and technical examination of the work and final bill including all supporting vouchers, abstract etc., and to enforce recovery of any sums becoming due as a result thereof in the manner provided in the proceeding sub-paragraph's provided however that no such recovery shall be enforced after three years of passing the final bill*

## **2.8 RESPONSIBILITIES OF THE CONTRACTOR IN RESPECT OF LOCAL LAWS, EMPLOYMENT OF WORKERS ETC.**

*The following are the responsibilities of the contractor in respect of observance of local laws, employment of personnel, payment of taxes etc. The subcontractor shall fully indemnify BHEL against any claims of whatsoever nature arising due to the failure of the contractor in discharging any of his responsibilities hereunder:*

*2.8.1 The contractor at all times during the continuance of this contract shall, in all his dealings with local labour for the time being employed on or in connection with the work, have due regard to all local festivals and religious and other customs.*

*2.8.2 The contractor shall comply with all applicable State and Central Laws, Statutory Rules, Maternity act, Regulations etc. such as contract labour(R&A) Act 1970, Minimum wage Act 1948, Payment of wages Act 1936,ESI Act 1948, EPF Act 1952, Employees' compensation Act 1923, Provision of Companies Act 1948 & rules thereof, The interstate Migrant Workmen 1979, The Karnataka Factories Rules 1969, Payment of Bonus Act 1965, Payment of Gratuity Act 1972. Child labour Prohibition act 1986, Karnataka Minimum Wage Act , Prevention of sexual harassment at work place Act 2013, Guidelines/notification related to Safai Karamchari Act , Equal Remuneration Act 1976, The company's instructions as issued from time to time in regard to working hours, wages, leaves, holidays etc. for labour as may be enacted by the Government during the tenure of the Contract and having force or jurisdiction at Site. The Contractor shall also give to the local Governing Body, Police and other relevant Authorities all such notices as may be required by the Law.*

*The contractor shall produce the following registers and forms:*

- Form XIII- Register of work men employed by contractor(Rule 75)*
- Form XIV- Employment Card issued by contractor( Rule 76)*
- Form XVI- Muster Roll ( Rule 78(1) (a)(i))*
- Form XVII- Register of Wages ( Rule 78(1) (a)(i))*
- Form XVIII- Register of wages cum Muster Roll( in case of weekly payment)*
- Form XIX- Wage slip ( Rule 78(b))*
- Form XX- Register of deduction for damages Or Loss Rule 78(1) (a)(ii))*
- Form XXI- Register of files Rule 78(1) (a)(ii))*
- Form XXII- Register of Advance Rule 78(1) (a)(ii))*
- Form XXIII- Register of Overtime Rule 78(1) (a)(iii))*
- Form XXIV- Return to be sent by the contractor to the Licensing officer (Rule 82(1))*

*2.8.3 The contractor shall obtain independent License under the Contract Labour (Regulations and Abolition Act)as required from the concerned Authorities based on the certificate (Form-V) issued by the Principal Employer/Customer*

*2.8.4 The contractor shall pay all taxes, fees, license charges, deposits, duties, tolls, royalties, commission or other charges which may be levied on account of his operations in executing the contract.*

*2.8.5 While BHEL would pay the inspection fees and Registration fees of Boiler & explosive/Electrical Inspectorate, all other arrangements for site visits periodically by the Inspectorate to site, Inspection certificate etc. will have to be made by contractor. However, BHEL will not make any payment to the Inspectorate in connection with contractor's Welders/Electricians qualification tests etc.*

*2.8.6 Contractor shall be responsible for provision of Health and Sanitary arrangements (more particularly described in Contract Labour Regulation & Abolition Act), Safety precautions etc. as may be required for safe and satisfactory execution of contract.*

*2.8.7 The contractor shall be responsible for proper accommodation including adequate medical facilities for personnel employed by him.*

*2.8.8 The contractor shall be responsible for the proper behavior and observance of all regulations by the staff employed by him.*

*2.8.9 The contractor shall ensure that no damage is caused to any person/property of other parties working at site. If any such damage is caused, it is responsibility of the contractor to make good the losses or compensate for the same.*

*2.8.10 All the properties/equipment/components of BHEL/their Client loaned with or without deposit to the contractor in connection with the contract shall remain properties of BHEL/their Client.*

*2.8.11 The contractor shall use such properties for the purpose of execution of this contract. All such properties/equipment/components shall be deemed to be in good condition when received by the contractor unless he notifies within 48 hours to the contrary. The contractor shall return them in good condition as and when required by BHEL/their Client. In case of non-return, loss, damage, repairs etc, the cost thereof as may be fixed by BHEL Engineer will be recovered from the contractor*

*2.8.12 Any delay in completion of works/or non-achievement of periodical targets due to the reasons attributable to the contractor, the same may have to be compensated by the contractor either by increasing manpower and resources or by working extra hours and/or by working more than one shift. All these are to be carried out by the contractor at no extra cost.*

*2.8.13 The contractor shall arrange, coordinate his work in such a manner as to cause no hindrance to other agencies working in the same premises.*



2.8.14 All safety rules and codes applied by the Client/BHEL at site shall be observed by the contractor without exception. The contractor shall be responsible for the safety of the equipment/material and works to be performed by him and shall maintain all light, fencing guards, slings etc. or other protection necessary for the purpose. Contractor shall also take such additional precautions as may be indicated from time to time by the Engineer with a view to prevent pilferage, accidents, fire hazards. Due precautions shall be taken against fire hazards and atmospheric conditions. Suitable number of Clerical staff, watch and ward, store keepers to take care of equipment/materials and construction tools and tackles shall be posted at site by the contractor till the completion of work under this contract. The contractor shall arrange for such safety devices as are necessary for such type of work and carry out the requisite site tests of handling equipment, lifting tools, tackles etc. as per prescribed standards and practices. Contractor has to ensure the implementation of Health, Safety and Environment (HSE) requirements as per directions given by BHEL/Customer. The contractor has to assist in HSE audit by BHEL/Customer and submit compliance Report. The contractor has to generate and submit record/reports as per HSE plan/activities as per instruction of BHEL/Customer. All tools, plant and equipment brought to the site shall become the property of BHEL and shall not be removed from the site without the prior written approval from BHEL. When the work is finally completed or the Contractor is determined for reasons other than the defaults of the contract, he shall forthwith remove from the site all tools, plants, equipment etc., (other than those as may have been provided by BHEL) and upon such removal, the same shall revert in, and become the property of the contractor.

2.8.15 The contractor will be directly responsible for payment of wages to his workmen on specified date of respective month declared as per applicable Labour Act. A pay roll sheet giving all the payments given to the workers and duly signed by the contractor's representative should be furnished to BHEL site for record purpose.

2.8.16 In case of any class of work for which there is no such specification as laid down in the contract, such work shall be carried out in accordance with the instructions and requirements of the Engineer.

2.8.17 Also, no idle charges will be admissible in the event of any stoppage caused in the work resulting in contractor's labour and Tools & Plants being rendered idle due to any reason at any time.

2.8.18 The contractor shall take all reasonable care to protect the materials and work till such time the plant/equipment has been taken over by BHEL or their Client whichever is earlier.

2.8.19 The contractor shall not stop the work or abandon the site for whatsoever reason of dispute, excepting force majeure conditions. All such problems/disputes shall be separately discussed and settled without affecting the progress of work. Such stoppage or abandonment shall be treated as breach of contract and dealt with accordingly

*2.8.20 The contractor shall keep the area of work clean and shall remove the debris etc. while executing day-to-day work. Upon completion of work, the contractor shall remove from the vicinity of work, all scrap, packing materials, rubbish, unused and other materials and deposit them in places specified by the Engineer. The contractor will also demolish all the hutments, sheds, offices, etc. constructed and used by him and shall clean the debris. In the event of his failure to do so, the same will be arranged to be done by the Engineer and the expenses recovered from the contractor. If the work is executed in Factory premises, no hutment will be allowed.*

*2.8.21 The contractor shall execute the work in the most substantial and workman like manner in the stipulated time. Accuracy of work and timely execution shall be the essence of this contract. The contractor shall be responsible to ensure that the quality, assembly and workmanship conform to the dimensions and clearance given in the drawings and/ or as per the instructions of the Engineer.*

*2.8.22 The Contractor to note that some of BHEL's T&Ps/MMDs may not be insured. The Contractor will take necessary precautions and due care to protect the same while in his custody from any damage/ loss till the same is handed over back to BHEL. In case the damage / loss is due to carelessness/ negligence on the part of the contractor, the Contractor is liable to get them repair/ replaced immediately and in case of his failure to do so within a reasonable time, BHEL will reserve the right to recover the loss from the contractor.*

*2.8.23 The contractor shall provide all watchmen necessary, for the protection of the site, the work, the materials, the tools , plant, equipment and anything else lying on the site during the progress of the work. He shall solely be responsible for and shall take all reasonable and proper steps for protecting, securing , lighting and watching all places on or about the work and the site which may be dangerous to any person whom so ever.*

*2.8.24 SITE DRAINAGE: All water that may accumulate on the site during the process of the work, or in trenches and excavations shall be removed to the entire satisfaction of the Engineer-in-charge and at Contractors expense.*

*2.8.25 INSPECTION OF THE WORK: BHEL Officers concerned with the Contract shall have power at any time to inspect and examine any part of the work and the contractor shall give such facilities as may be required to given for such inspection and examination.*

*2.8.26 In case the contractor is required to undertake any work outside the scope of this contract, the rates payable shall be those mutually agreed upon if the item rates are not mentioned in existing contract*

- i. For any item of wok required to be carried out after the contract has been awarded and which is not covered by Contractors Schedule but is covered by C.P.W.D. schedule of rates the rate payable for such a fresh item will be derived from updated C.P.W.D. schedule of rates by the method of proportion as follows:*