

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:

- ii. *Rate as per estimated updated C.P.W.D DSR and loading tender excess (plus or minus) on pro-rata basis for nearest analogous items. For other items rate as per estimated C.P.W.D DSR and loading tender excess(plus or minus)*
- iii. *If rates are not available in C.P.W.D. DSR, deviated item rates will be derived from market rate with 15% profit and overheads.*

2.9 PROGRESS MONITORING, MONTHLY REVIEW AND PERFORMANCE EVALUATION

2.9.1 A detailed plan/programme for completion of the contractual scope of work as per the time schedule given in the contract shall be jointly agreed between BHEL and Contractor, before commencement of work . The above programme shall be supported by month wise deployment of resources viz Manpower, T&P, Consumables, etc. Progress will be reviewed periodically (Daily/Weekly/Monthly) vis a vis this jointly agreed programme. The Contractor shall submit periodical progress reports (Daily/Weekly/Monthly) and other reports/information including manpower, consumables, T&P mobilization etc as desired by BHEL.

2.9.2 Monthly progress review between BHEL and Contractor shall be based on the agreed programme as above, availability of inputs/fronts etc, and constraints if any, as per prescribed formats. Manpower, T&P and consumable reports as per prescribed formats shall be submitted by contractor every month. Release of RA Bills shall be contingent upon certification by BHEL Site Engineer of the availability of the above prescribed formats duly filled in and signed.

2.9.3 The burden of proof that the causes leading to any shortfall is not due to any reasons attributable to the contractor is on the contractor himself. The monthly progress review shall record shortfalls attributable to (i) Contractor, (ii) Force Majeure Conditions, and (iii) BHEL

2.10 TIME OF COMPLETION

2.10.1 Time is essence of the contract. The time schedule shall be as prescribed in the Contract. The time for completion shall be reckoned from the date of commencement of work at Site as certified by BHEL Engineers

2.10.2 The entire work shall be completed by the contractor within the time schedule or within such extended periods of time as may be allowed by BHEL under clause 2.11

2.11 EXTENSION OF TIME FOR COMPLETION

2.11.1 If the completion of work as detailed in the scope of work gets delayed beyond the contract period, the contractor shall request for an extension of the contract and BHEL at its discretion may extend the Contract.

2.11.2 Based on the monthly reviews jointly signed, the works balance at the end of original contract period less the backlog attributable to the contractor shall be quantified, and the number of months of 'Time extension' required for completion of the same shall be jointly worked out. Within this period of 'Time extension', the contractor is bound to complete the portion of backlog attributable to the contractor. Any further 'Time extension' or 'Time extensions' at the end of the previous extension shall be worked out similarly.

2.11.3 However if any 'Time extension' is granted to the contractor to facilitate continuation of work and completion of contract, due to backlog attributable to the contractor alone, then it shall be without prejudice to the rights of BHEL to impose penalty/LD for the delays attributable to the contractor, in addition to any other actions BHEL may wish to take at the risk and cost of contractor.

2.11.4 A joint programme shall be drawn for the balance amount of work to be completed during the period of 'Time Extension', along with matching resources (with weightages) to be deployed by the contractor as per specified format. Review of the programme and record of shortfall shall be done every month of the 'Time extension' period in the same manner as is done for the regular contract period.

2.11.5 During the period of 'Time extension', contractor shall maintain their resources as per mutually agreed program

2.11.6 At the end of total work completion as certified by BHEL Engineer, and upon analysis of the total delay, the portion of time extensions attributable to (i) Contractor, (ii) Force majeure conditions, and (iii) BHEL, shall be worked out and shall be considered to be exhausted in the same order. The total period of time extensions shall be the sum of (i), (ii) and (iii) above and shall be equal to period between the scheduled date of completion and the actual date of completion of contract. LD shall be imposed/levied for the portion of time extensions attributable to contractor and recoverable from the dues payable to the contractor.

2.12 OVERRUN COMPENSATION (THIS CLAUSE IS NOT APPLICABLE IN BHEL FACTORY & TOWNSHIP PREMISES)

2.12.1 Over Run Compensation (ORC) is payable by way of rate revisions for periods beyond original, contract period subject to the following terms and conditions.

2.12.2 Rates shall be increased by 10% for the first twelve months of one or more extensions beyond original contract period. For the next twelve months of further extensions if any, rates shall be increased as above by 10% over the previous twelve months, and similarly for each subsequent twelve months extension.

2.12.3 Should there be any 'Time extension' for reasons attributable only to the contractor, then the work shall be executed by the contractor at the rates applicable for the period the work was planned

2.12.4 Payment of ORC shall be regulated as follows:

i) Contractor is entitled to Over Run Compensation (ORC) only for the portion of backlog attributable to BHEL.

ii) 50% of the compensation is allocated for deployment of resources agreed as per the joint programme drawn vide 2.11.4. Payment shall however be based on the actual deployment of resources for the month as certified by BHEL, as per weightages assigned therein

iii) 50% of the compensation, is allocated for achieving of planned progress agreed as per the joint programme drawn vide 2.11.4. Payment shall be on pro rata basis for actual achieved quantities

iv) Total Over Run Compensation shall be limited to 10% of the executed contract value as certified in Final Bill. For this purpose executed contract value excludes PVC, ORC, Supplementary/Additional Items and Extra Works done on Man-day rate basis

2.12.5 Contractor shall not be entitled for any Over Run Compensation (ORC) for the portion of backlog attributable to the contractor. Such works shall be executed at the rates applicable for the period the work was planned

2.13 QUANTITY VARIATION

2.13.1 The quoted rates shall remain firm irrespective of any variations in the individual quantities.

2.14 EXTRA WORKS

2.14.1 All rectifications/modifications, revamping, and reworks required for any reasons not attributable to the contractor, or needed due to any change in deviation from drawings and design of equipment, operation/maintenance requirements, mismatching, or due to damages in transit, storage and erection/commissioning, and other allied works which are not very specifically indicated in the drawings, but are found essential for satisfactory completion of the work, will be considered as extra works.

2.14.2 Extra works arising on account of the contractor's fault, irrespective of time consumed in rectification of the damage/loss, will have to be carried out by the contractor free of cost. Under such circumstances, any material and consumable required for this purpose will also have to be arranged by the contractor at his cost.

2.14.3 All the extra work should be carried out by a separately identifiable gang, without affecting routine activities. Daily log sheets in the pro-forma prescribed by BHEL should be maintained and shall be signed by the contractor's representative and BHEL engineer. No claim for extra work will be considered/entertained in the absence of the said supporting documents i.e. daily log sheets. Signing of log sheets by BHEL engineer does not necessarily mean the acceptance of such works as extra works.

2.14.4 BHEL retains the right to award or not to award any of the major repair/rework/modification/rectification/fabrication works to the contractor, at their discretion without assigning any reason for the same

2.14.5 After eligibility of extra works is established and finally accepted by BHEL engineer/designer, payment will be released on competent authority's approval at the following rate.

MAN-HOUR RATE FOR ELIGIBLE EXTRA WORKS: Single composite average labour man-hour rate, including overtime if any, supervision, use of tools and tackles and other site expenses and incidentals, consumables for carrying out any major rework/repairs/rectification/modification/fabrication as certified by site as may arise during the course of erection, testing, commissioning or extra works arising out of transit, storage and erection damages, payment, if found due will be as per applicable minimum wage act

2.14.6 The above composite labour man hour rate towards extra works shall remain firm and not subject to any variation during execution of the work. PVC will not be applicable for extra works. Rate revision, Over Run Charges/compensation etc will not be applicable due to extra works.

2.14.7 Extra Works for Civil Packages shall be regulated as follows

i) Rates for Extra Works arising due to (1) non availability of BOQ (Rate Schedule), OR (2) change in Specifications of materials/works (3) rectification/modification/dismantling & re erecting etc due to no fault of Contractor, shall be in the order of the following:

a) Item rates are to be derived from similar nature of items in the BOQ (Rate Schedule) with applicable escalation derived from All India Consumer Price Index for Whole Sale Commodities.

b) As per applicable updated CPWD-DSR (or latest edition) with applicable escalation derived; Notification issued by the office of CPWD for 'Cost Index' in that Region where the project is being executed,

c) Item rates are to be worked out on the basis of prevailing market rates mutually agreed between BHEL and Contractor, plus 15% towards Contractor's overheads and profit.

ii) PVC and ORC will not applicable be for (i) above.

2.15 SUPPLEMENTARY ITEMS

2.15.1 For NON Civil Works

Supplementary items are items/works required for completion of entire work but not specified in the scope of work. Subject to certification of such items/works as supplementary items by BHEL Engineer, rates shall be derived on the basis of any one of the following on mutual agreement:

i) Based on percentage breakup/rates indicated for similar/nearby items

ii) In case (i) above does not exist, then BHEL/site may derive the percentage breakup/rates to suit the type of work

2.15.2 For Civil Works

i) Rates for Supplementary Works/Additional Works arising out due to additions/alterations in the original scope of works as per contract subject to certification of BHEL Engineer shall be worked out as under:

a) Item rates which are available in existing BOQ (Rate Schedule) shall be operated with applicable escalation derived from All India Consumer Price Index for Whole Sale Commodities

b) Items of works which are not available in existing BOQ shall be operated as an 'Extra Works' and rate shall be derived as per clause no 2.14

ii) Execution of Supplementary Works/Additional Works through the Contractor shall be at the sole discretion of BHEL, and shall be considered as part of executed contract value for the purpose of Quantity Variation as per clause 2.13

iii) BHEL Engineer's decision regarding fixing the rate as above is final and binding on the contractor.

iv) PVC and ORC will not be applicable for (i) above.

2.16 STRIKES & LOCKOUT

2.16.1 The contractor will be fully responsible for all disputes and other issues connected with his labour/employee. In the event of the contractor's labour/employee resorting to strike or the Contractor resorting to lockout and if the strike or lockout declared is not settled within a period of 15 days, BHEL shall have the right to get the work executed through any other

agencies and the cost so incurred by BHEL along with Overhead charges of 35% shall be deducted from the Contractor's bills along with overhead of 35%

2.16.2 For all purposes whatsoever, the employees of the contractor shall not be deemed to be in the employment of BHEL

2.17 FORCE MAJEURE

The following shall amount to Force Majeure:-

2.17.1 Acts of God, act of any Government, War, Sabotage, Riots, Strike, Civil commotion, Police action, Revolution, Flood, Fire, Cyclones, Earth quake and Epidemic and other similar causes over which the contractor has no control.

2.17.2 If the contractor suffers delay in the due execution of the contractual obligation due to delays caused by force majeure as defined above, the agreed time of completion of the job covered by this contract or the obligations of the contractor shall be extended by a period of time equal to period of delay, provided that on the occurrence of any such contingency, the contractor immediately reports to BHEL in writing the causes of delay and the contractor shall not be eligible for any compensation.

2.18 ARBITRATION & RECONCILIATION

2.18.1 In case amicable settlement is not reached in the event of any dispute or difference arising out of the execution of the Contract or the respective rights and liabilities of the parties or in relation to interpretation of any provision by the Contractor in any manner touching upon the Contract, such dispute or difference shall (except as to any matters, the decision of which is specifically provided for therein) be referred to the sole arbitration of the arbitrator appointed by BHEL/In charge.

The award of the Arbitrator shall be binding upon the parties to the dispute Subject as aforesaid, the provisions of Arbitration and Reconciliation Act 1996 (India) or statutory modifications or reenactments thereof and the rules made there under and for the time being in force shall apply to the arbitration proceedings under this clause. The venue of the arbitration shall be the place from which the contract is issued or such other place as the Arbitrator at his discretion may determine

2.18.2 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 to by either party to the arbitration of one of the arbitrators in the department of public enterprises. 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.

2.18.3 The cost of arbitration shall be borne equally by the parties.

2.18.4 Work under the contract shall be continued during the arbitration proceedings

2.19 PAYMENTS

Payments to Contractors are made in any one of the following forms

2.19.1 Running Account Bills (RA Bills)

i) These are for interim payments when the contracts are in progress. The bills for such interim payments are to be prepared by Contractor in prescribed formats (RA Bill forms).

ii) Payments shall be made according to the extent of work done as per measurements taken up to the end of the calendar month and in line with the terms of payments described in the Tender documents along with relevant statutory documents applicable for the work.

iii) Recoveries on account of electricity, water, statutory deductions, etc are made as per terms of contract

iv) Full rates for the work done shall be allowed only if the quantum of work has been done as per the specifications stipulated in the contract. If the work is not executed as per the stipulated specifications, BHEL may ask the contractor to re do the work according to the required specifications, without any extra cost. However, where this is not considered necessary 'OR' where the part work is done due to factors like non-availability of material to be supplied by BHEL 'OR' non availability of fronts 'OR' non availability of drawings, fraction payment against full rate, as is considered reasonable, may be allowed with due regard for the work remaining to be done. BHEL decision in this regard will be final and binding on the contractor.

v) In order to facilitate part payment, BHEL Site Engineer at his discretion may further split the contracted rates/percentages to suit site conditions, cash flow requirements according to the progress of work

2.19.2 Final Bill

Final Bill is used for final payment on closing of Running Account for works or for single payment after completion of works. *Final Bill* shall be submitted as per prescribed format after completion of works as per scope and upon material reconciliation, along with the following.

i) *No Claim Certificate* by contractor

ii) *Clearance certificates* where ever applicable viz *Clearance Certificates* from Customer, various *Statutory Authorities* like Labour department, PF Authorities, Commercial Tax Department, etc

iii) *Indemnity bond* as per prescribed format BHEL shall settle the final bills after deducting all liabilities of Contractor to BHEL

2.20 PERFORMANCE GUARANTEE FOR WORKMANSHIP

2.20.1 Even though the work will be carried out under the supervision of BHEL Engineers the Contractor will be responsible for the quality of the workmanship and shall guarantee the work done for a period of as mentioned in the contract/NIT from the date of commencement of guarantee period as defined in Technical Conditions of Contract, for good workmanship and shall rectify free of cost all defects due to faulty erection detected during the guarantee period. In the event of the Contractor failing to repair the defective works within the time specified by the Engineer, BHEL may proceed to undertake the repairs of such defective works at the Contractor's risk and cost, without prejudice to any other rights and recover the same from the balance security deposit.

2.20.2 BHEL shall release the balance security deposit subject to the following

i) Contractor has submitted *Final Bill*

ii) *Guarantee period* as per contract has expired

iii) Contractor has furnished *No Claim Certificate* in specified format

iv) BHEL Site Engineer/Construction Manager has furnished the *No Demand Certificate* in specified format

v) Contractor has carried out the works required to be carried out by him during the period of Guarantee and all expenses incurred by BHEL on carrying out such works is included for adjustment from the Guarantee money refundable.

2.21 CLOSING OF CONTRACTS

The Contract shall be considered completed and closed upon completion of all contractual obligations and settlement of Final Bill or completion of Guarantee period whichever is later. Upon closing of Contract, BHEL shall issue a completion certificate as per standard format, based on specific request of Contractor.

2.22 REVERSE AUCTION/PRICE BID OPENING:

- BHEL reserves the right to go for reverse auction at any point of time before opening of Price Bid.
- Bids with non-acceptance of reverse auction will be liable for rejection.
- Opening of Price Bid at discretion of BHEL.
- BHEL shall be at liberty to cancel the tender at any time, before ordering, without assigning any reason.

2.23 SUSPENSION OF BUSINESS DEALINGS

BHEL reserves the right to take action against Contractors who either fail to perform or Tenderers/Contractor who indulge in malpractices, by suspending business dealings with them in line with BHEL guidelines issued from time to time.

2.24 OTHER ISSUES

2.24.1 Value of Non judicial Stamp Paper for Bank Guarantees and for Contract Agreement shall be not less than Rs 200/- unless otherwise required under relevant statutes.

2.24.2 In case of any conflict between the General Conditions of Contract and Special Conditions of Contract, provisions contained in the Special Conditions of Contract shall prevail.

2.24.3 Unless otherwise specified in NIT, offers from consortium /JVs shall not be considered.

2.24.4 BHEL may not insist for signing of Contract Agreements in respect of low value and short time period contracts

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.

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.
- 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 The CMD, BHEL shall decide the compensation to be paid to the Monitor and its terms and conditions.

8.8 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.

8.9 The number of Independent External Monitor(s) shall be decided by the CMD, BHEL.

8.10 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.
- 10.5 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.

For & On behalf of the Principal
(Office Seal)

For & On behalf of the Bidder/ Contractor
(Office Seal)

Place-----

Date-----

Witness: _____
(Name & Address) _____

Witness: _____
(Name & Address) _____

ANNEXURE TO INTEGRITY PACT

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. Following independent External Monitors (IEMs) on the present panel have been appointed to oversee implementation of IP in BHEL.

1. Shri Arun Chandra Verma, IPS (Retd.)

Email: acverma1@gmail.com

AND

2. Shri Virendra Bahadur Singh, IPS (Retd.)

Email: vbsinghips@gmail.com

(b) The IP as enclosed with the tender (total 7 sheets) 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.

(c) Please refer Section-8 of the 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's officials whose contact details are provided below:

Details of the contact person:

Mr N Raju

AGM, (SC&PV- Site Services)

5th Floor, New Engineering Building,

BHEL- Electronics Division

Mysore Road, Bangalore -560 026.

Phone: 080- 26998476/8232

**PROFORMA OF BANK GUARANTEE FOR EARNEST MONEY
(On non-Judicial paper of appropriate value)**

Bank Guarantee No.....
Date.....

To

(Employer's Name and Address)
.....

Dear Sirs,

In accordance with the terms and conditions of Invitation for Bids/Notice Inviting Tender No.....1(Tender Conditions), M/s. having its registered office at2 (hereinafter referred to as the 'Tenderer'), is submitting its bid for the work of.....3 invited by4.(name of the Employer) through its Unit at(

The Tender Conditions provide that the Tenderer shall pay a sum of Rs as Earnest Money Deposit in the form therein mentioned. The form of payment of Earnest Money Deposit includes Bank Guarantee executed by a Scheduled Bank.

In lieu of the stipulations contained in the aforesaid Tender Conditions that an irrevocable and unconditional Bank Guarantee against Earnest Money Deposit for an amount of5 is required to be submitted by the Tenderer as a condition precedent for participation in the said Tender and the Tenderer having approached us for giving the said Guarantee,

we, the[Name & address of the Bank] having our Registered Office at(hereinafter referred to as the Bank) being the Guarantor under this Guarantee, hereby irrevocably and unconditionally undertake to forthwith and immediately pay to the Employer without any demur, merely on your first demand any sum or sums of Rs. 5(in words Rupees.....) without any reservation, protest, and recourse and without the beneficiary needing to prove or demonstrate reasons for its such demand.

Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____.

We undertake to pay to the Employer any money so demanded notwithstanding any dispute or disputes raised by the Vendor/Contractor/Vendors in any suit or proceeding pending before any Court or Tribunal, Arbitrator or any other authority, our liability under this present being absolute and unequivocal.

The payment so made by us under this Guarantee shall be a valid discharge of our liability for payment hereunder and the Tenderer shall have no claim against us for making such payment.

We Bank further agree that the Employer shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Tender or to extend the time of submission of from time to time or to postpone for any time or from time to time any of the powers exercisable by the Employer against the said Tenderer and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Tenderer or for any forbearance, act or omission on the part of the Employer or any indulgence by the Employer to the said Tenderer or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Tenderer and notwithstanding any security or other guarantee that the Employer may have in relation to the Tenderer's liabilities.

This Guarantee shall be irrevocable and shall remain in force upto and including.....6 and shall be extended from time to time for such period as may be desired by the Employer.

This Guarantee shall not be determined or affected by liquidation or winding up, dissolution or change of constitution or insolvency of the Tenderer but shall in all respects and for all purposes be binding and operative until payment of all money payable to the Employer in terms hereof. However, unless a demand or claim under this Guarantee is made on us in writing on or before the⁷ we shall be discharged from all liabilities under this Guarantee.

We, Bank lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.

Notwithstanding anything to the contrary contained hereinabove:

- a) The liability of the Bank under this Guarantee shall not exceed.....5.....
- b) This Guarantee shall be valid up to6
- c) Unless the Bank is served a written claim or demand on or before _____⁷ all rights under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities under this guarantee irrespective of whether or not the original bank guarantee is returned to the Bank

We, _____ Bank, have power to issue this Guarantee under law and the undersigned as a duly authorized person has full powers to sign this Guarantee on behalf of the Bank.

For and on behalf of

(Name of the Bank)

Date.....

Place of Issue.....

PRICE BID

BOQ OF O&M WORKS FOR 30MW MANUGURU

SI No	Item / Activity description	Unit	Qty (Main)	Estimate Unit rate excluding GST (Rs)	Estimate Total Amount excluding GST (Rs.)	Details
OPERATION & MAINTENANCE FOR 123 MONTHS						
1	Management of complete O & M activities by O&M incharge. One engineer (B.Tech in Electrical Engg.) with 33 kV working experience to be appointed who will be the overall O&M incharge of the plant.	Months	123	25,089.75	3,086,039.25	<p>Major responsibilities of O&M incharge :</p> <p>(i) Allotment of work to all the O&M staff and supervision of O&M works as per schedule approved by BHEL. (ii) Sending Daily, weekly and Monthly report to BHEL by mail. (iii) Interaction with customer / TSTRANSCO / SLDC etc. (iv) Coordinating with sub-station upon grid failures /cable faults and implementing the needful steps to restore the plant to normal operation. (v) Monthly downloading of data from ABT meter using CMRI / as instructed by TSTRANSCO.</p> <p>(vi) Maintaining plant records and log books, stock register and reporting to BHEL. (vi) Troubleshooting and Updation of SCADA system if required as instructed by BHEL. (vii) Theft incidents: immediate reporting to BHEL, filing FIRs at police stations on BHEL behalf, coordination for site inspection by insurance companies and clearance of insurance claims, logging of events (date, time) and maintaining records. (viii) Accidents: immediate reporting to BHEL, coordinating with hospitals, logging of events (data, time) and maintaining records.</p> <p>Payment for Services of O&M in Charge shall be as per attendance records maintained and deductions will be passed in case of non-availability.</p>
2	Plant Operation works such as (i) Logging of DC, AC, grid parameters (current, voltage, power, energy) at PCUs, HT panels, transformer temperatures, equipment tripping/ breakdown, grid outage as per BHEL formats. (ii) SCADA data station / HMI PC operations/ CCTV operation for daily monitoring of weather parameters, trend graphs and urgent reporting to BHEL in case of any problems / anomalies observed with any of the parameters, resolving communication issues between SCADA and other equipment, healthiness of all equipment	Months	123	50,576.40	6,220,897.20	<p>*Minimum 5 technicians (Diploma / ITI) to be allocated for this activity. The O&M works mentioned are indicative. All the activities required for O&M shall be carried out by technicians as instructed by BHEL. Monthly reports to be prepared and submitted by mail to BHEL for the various parameters including Earth resistance, String current, Energy exported etc. as per report formats finalized by BHEL.</p> <p>Atleast two technicians out of 7, shall be qualified for operating installations of 33KV and above. Certificate / license copy to be submitted to BHEL before commencement of O&M works.</p> <p>One technician to be posted in Night shift operation.</p> <p>Measurement of above activities shall be done as per O&M Log book records maintained.</p> <p>Deductions shall be passed in O&M Contractor Bills for any activities not completed.</p>

3	Carrying out Preventive and Breakdown maintenance as per O&M schedule / OEM guidelines / maintenance manual such as a) Cleaning, tightness checks, lubrication and other maintenance of equipment - PCUs, HT panels, Inverter transformers, Auxiliary transformers, ACDB, FCBC, UPS, Battery banks, SMBs, SCADA, WMS, CCTV, Fire Alarm, ESE Lightning arresters, earthing, light fitting -indoor and outdoor etc. b) Replacement of Silica gel, gaskets, Rectification of Oil leakages in all transformers. c) Repair/ replacement of failed 33KV cable inside plant, replacement of failed 33 kV termination/ jointing kits. d) Trouble-shooting of solar array problems as DC earth fault, OFC/ communication cable faults, replacement of damaged PV modules, SMB components etc. e) Checking tightness of MMS and PV Modules (f) Monthly earth resistance measurement and recording value on the Earth chambers (g) Watering of earth pits	Months	123	41,096.16	5,054,827.68	<p>*(i) Minimum 2 technicians (Diploma/ITI) with required helpers to be allocated for this activity. (ii) List of equipment mentioned is indicative. Maintenance of all the equipments installed in plant is in vendor's scope. (iii) Periodic maintenance shall be preferably carried out during evening to avoid generation loss. (iv) Whenever a fault has occurred, the contractor has to attend to rectify the fault & the fault must be rectified within 48 hours from the time of occurrence of fault. (v) Major spares such as complete equipment failures of CT, PT, LA, Breaker, Isolator, SMB, PCU, transformer, cables, HT termination and jointing kits etc. if any will be supplied by BHEL. (vi) Minor spares and consumables such as MCBs, Fuses, peripheral and bulging Lights, fans, indication lamps, gaskets, silica gel, acid for battery, hardwares, cable lugs and glands of all required sizes, MC4 connectors, PCU dust filter, PEB room louver air filter, sanitary fittings etc. if required shall be supplied by vendor. (vii) In case of Maintenance activity / failure / damage / accident / replacement / repair required for any of the plant equipment such as Solar modules, HT panels, all transformers etc. or for any other site related activities, unloading, erection, installation, charging, co-ordination with agencies involved, etc., shall be in O&M vendor's scope. Arrangement of Crane / hydra / JCB/ additional labour hiring / Ladder, etc., for arranging replacement of failed equipment shall also be in the scope of O&M vendor. (viii) All tools and tackles, measuring instruments, testing equipment required for maintenance activities shall be arranged by O&M vendor. Measurement of above activities shall be done as per O&M Log book records maintained. Deductions shall be passed in O&M Contractor Bills for any activities not completed.</p>
4	Water cleaning of solar modules of approximately 1,00,800 nos. (Two cycles per month, each cycle shall consist of cleaning of entire 1,00,800 Nos modules).	Months	123	55,696.41	6,850,658.43	<p>(i) Required labourers (in discussion with BHEL) to be allocated to complete this activity within the schedules time period. (ii) Water shall be pumped from borewells and will be stored in underground/overhead water tanks at site. Water from tanks shall be pumped through already installed pipeline network and pumps to facilitate water flow for modules cleaning. (iii) In case water is not available in borewells, vendor shall arrange water using tankers and payment for supply of water through tankers shall be made by BHEL. (iv) All the consumables for cleaning of modules such as cleaning brushes, mopping sticks etc. shall be arranged by vendor. (v) In case of natural cleaning of solar modules by rains and cleaning not carried out, no payment will be done for that cycle within the month. (vi) Three cycles of cleaning of entire solar modules has to be completed in a month by the vendor. In case, lesser quantity of solar modules are cleaned, proportionate payment will be made for quantity of solar modules cleaned up to last day of each month. (vii) Each solar module is of 2m x 1m size and 40 solar modules are mounted on each structure. Measurement of above activity shall be done as per table basis and as per cycle basis. Deductions shall be passed in O&M Contractor Bills for any incomplete work.</p>
5	Supply of water using tankers	Kilo Litres	6000	250.42	1,502,520.00	Water shall be supplied using tankers from external source in case water is not available in borewells.

6	Cutting & removal of grass from site - maintenance of entire plant without grass including non modular area and near boundary wall. (One cycle per month)	Months	123	30,107.70	3,703,247.10	(i) Required labourers (in discussion with BHEL) to be allocated to complete this activity within the scheduled time period (ii) Vendor to supply 3 nos of Motorized Grass cutting machines. Repair and maintenance of grass cutting machines shall be in vendor's scope. (iii) Petrol/Diesel/electricity expenses shall be in vendor's scope for operation of the grass cutting machine. (iv) In case if grass is not grown and cutting is not carried out, no payment will be done for the month. Payment for this activity shall be as a percentage of workdone as certified by the BHEL Site Incharge.
7	*Deployment of Security persons for the entire plant in 3 shifts per day with minimum 4 security persons in each shift (2 with arms and 2 without arms).	Man Months	1476	10,536.75	15,552,243.00	(i) Securing entire plant area. (ii) In case of theft, FIR to be lodged by O&M vendor. (iii) If theft incidents are due to negligence of O&M vendor such as shortage of security, the loss recovery shall be done from vendor. Measurement of Services of Security guards shall be as per attendance records maintained and deductions will be passed in O&M Contractor Bills in case of non-availability at site.
8	Tilting of Solar PV Module mounting structures. (One cycle per 6 months) Each cycle to be completed within 15 days period	Cycles	20	618,811.00	12,376,220.00	All the PV Modules shall be tilted once in 6 months to change the angle of inclination. O&M Contractor shall engage separate labour (without cost implication) as required for completing this activity within the time schedule specified. Cost incurred due to damage to the modules, structure and fasteners during tilting will be recovered from O&M Contractor.
9	General maintenance works such as Daily housekeeping activity for Inverter rooms and Control room including toilets, Garbage removal from solar array area, repair of plumbing works, underground water tanks, Sintex tanks, cleaning of sewerage lines, septic tanks, soak pits if required, minor civil repair works such as leakages, doors, windows, rolling shutters, ventilators, floor/ tiles/ wall cracks, cleaning of drains etc.	Months	123	12,845.95	1,580,052.10	(i) Required labourers (in discussion with BHEL) labourers to be allocated for this activity. (ii) All the buildings - Main Control room and Inverter rooms to be mopped daily and surroundings to be kept clean. (iii) All toilets to be cleaned daily. (iv) All consumables required for this activity shall be in vendor's scope. Measurement of above activities shall be done as per O&M Log book records maintained. Deductions shall be passed in O&M Contractor Bills for any activities not completed.
10	Annual maintenance of all transformers with respect to BDV measurement, Oil filtering as required, DGA test, tightness of cables, earthing and hardwares, replacement of gasket, silica gel breather, paint touchup, arresting oil leakages and oil topup of all transformers (33KV and aux transformers) and other related electrical works.	Years	10	200,718.00	2,007,180.00	Through OEM / competent testing agencies as approved by BHEL. All required tools, tackles, testing and measuring instruments, Oil filtration kit, DG set etc. to be arranged by vendor. The Annual Maintenance activities shall be carried out between November to January and will be measured only when all activities listed are completed. Payment for any Maintenance not carried out shall be deducted from O&M Contractor Bills.
11	Annual testing and calibration of 33 kV HT panel equipment as VCBs, CTs, PTs, Numerical relays, electromechanical relays, MFMs, Energy Meters etc.	Years	10	130,467.60	1,304,676.00	Through OEM / competent testing agencies as approved by BHEL. All required tools, tackles, testing and measuring instruments, DG set etc. to be arranged by vendor.
12	Calibration of Weather Monitoring Station equipment	Years	10	50,085.00	500,850.00	Weather monitoring station equipment to be calibrated at IMD or OEM recommended labs as per calibration period of individual equipment as recommended by OEM.
13	Checking and re-filling of Fire extinguishers and sand buckets as required.	Months	123	6,690.60	822,943.80	All the fire extinguishers to be checked for healthiness and re-filling to be carried out as and when required.
14	Maintenance and Servicing of Airconditioners, Refrigerator, Furniture, Water purifier, fans, grass cutting machines etc. Daily Tea/ Coffee and drinking water to be provided for customers and BHEL Staff.	Months	123	5,017.95	617,207.85	Complete maintenance and servicing of equipment as and when required to be carried out by vendor.
15	Painting of all metal structures (non-galvanized), rolling shutters, switchyard and transformer yards fencing and gates, all rusted components etc.	Years	10	30,108.00	301,080.00	Painting of all metal structures shall be carried out once in every year.
16	Painting of Main Control room building and inverter room buildings using weather proof cement based acrylic emulsion paint (Exterior grade) for outside and oil bound distemper paint for inside the building	AU	2	234,234.91	468,469.81	Painting of Control room and inverter room building shall be carried out once in 5 years.

17	Maintenance of Roads and drains such as: I. Crack repairing of the road surface. II. Pot-holes over the top road surface to be rectify. III. Maintenance of shoulders for the rain cuts or damage due to some external reasons. IV. Before and after the monsoon season the storm water drainage shall be maintained & cleaned for smoother flow of storm water.	Years	10	40,143.60	401,436.00	Maintenance of roads and drains shall be carried out once in every year.
18	Providing internet leased line connection of min. 2 MBPS speed including required hardware for 24 hours internet facility	Months	123	1,003.59	123,441.57	Internet connection to be taken in the name of TSTRANSCO
19	Providing Landline Telephone connection in Control Room	Months	123	502.00	61,746.00	Landline telephone connection to be taken in the name of TSTRANSCO
20	Coordination and liasoning with SLDC for interconnection of plant data with ALDC / SLDC	Years	10	15,054.00	150,540.00	Official charges to SLDC will be paid by BHEL in the form of DD / EFT as per invoice/ demand note raised by SLDC. Required coordination and liasoning in getting invoice/ demand note etc. shall be in vendor scope.
21	Coordination and liasoning with CEIG for renewal of CEIG approval and other statutory bodies as applicable.	Years	10	120,430.80	1,204,308.00	Vendor shall coordinate and liason with CEIG for renewal of complete plant approval including 132KV cable and TSTRANSCO side substation bays. Official charges if any to CEIG will be paid by BHEL in the form of DD / EFT.
Total amount excluding GST (Rs.)					Rs. 63,890,584	
Total amount: Rupees Six Crore Fifty One Lakh Twenty Thousand Five Hundred and Eighty Four, Plus applicable GST						
QUOTE PERCENTAGE (%) ABOVE/BELOW (+/-) (OR) AT PAR WITH RESPECT TO TOTAL AMOUNT						
QUOTED PERCENTAGE (%) IN WORDS ABOVE/BELOW (OR) AT PAR WITH RESPECT TO TOTAL AMOUNT						
Plus Applicable GST						
NOTE: 1. CONTRACTOR SHOULD QUOTE PERCENTAGE (%) ABOVE/BELOW (OR) AT PAR WITH RESPECT TO TOTAL AMOUNT.						
2. QUOTED PERCENTAGE (%) IS APPLICABLE ON ALL ITEM RATES UNIFORMLY.						
3. Measurement of Services / Activities carried out at Site shall be as per O&M Log book records and deductions will be passed in case of services / activities not completed in the month / year.						
IMPORTANT NOTE:						
Monthly/Annual O&M payment to the contractor will be released on comparison of generation as per guaranteed parameter vis-a-vis Actual generation. The shortfall (if any) w.r.t guaranteed generation shall be duly supported by documentary evidence. In case of shortfall w.r.t guaranteed generation parameter, BHEL Engineering department to certify that "the reasons submitted by contractor are beyond its reasonable control". The amount equivalent to shortfall in generation may be observed by BHEL on exceptional basis.						
*Manpower indicated is only minimum requirement. However, vendor to deploy required manpower to complete each activity in specified time duration.						
The value of the Contract will remain same throughout contract period and no escalation is allowed. Hence bidder has to quote the price, considering the revision of minimum wages by Government notifications from time to time.						