



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072

Page 1 of 16

GENERAL TERMS AND CONDITIONS**REV. 05****NIT No. PDX/MM&SC/Barauni/T-01**

**TECHNICAL SUPPORT FOR BALANCE OF PLANT AND ELECTRICAL SYSTEMS FOR R & M
WORK OF 2x110 MW (UNIT 6 & 7) OF BARAUNI THERMAL POWER PLANT**

1.0 DEFINITIONS:-

The following terms and expressions shall have the meaning hereby assigned to them except where the context otherwise requires.

- 1.1 'BHEL'** shall mean Bharat Heavy Electricals Limited, a Company registered under the Indian Companies Act, 1956 with its Registered Office at BHEL House, Siri Fort, New Delhi, Pin-110049 through its office at Piplani, Bhopal – 462022 or its authorised Officers or its Engineers or other employees authorised to deal with any matters with which these persons are concerned on its behalf.
- 1.2 'CLIENT' or 'CUSTOMER'** shall mean the project authorities to whom BHEL is supplying the equipment & providing the services.
- 1.3 'CONTRACTOR'** shall mean the individual, firm or Company who enters into contract with BHEL for providing the services as per this Tender and shall include their executors, administrators, successors and permitted assigns.
- 1.4 'CONTRACT' or 'CONTRACT DOCUMENT'** shall mean and include the agreement, the work order, the accepted appendices of rates, schedules of quantities, if any, General Terms & Conditions of the Contract, Special Conditions of the contract, Instructions to Tenderers, drawings, technical specifications, the special specifications, if any, & the Letter of Intent / acceptance letter issued by BHEL. Any conditions or terms stipulated by the tenderer 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 and incorporated in the Work Order.
- 1.5 'TENDER DOCUMENTS'** shall mean the NIT, Instructions to Tenderers, General Conditions of Contract, Special Conditions, Price Schedule and Tender Specifications.
- 1.6 'LETTER OF INTENT'** shall mean the intimation by a letter / telegram / fax to the tenderer that the tender has been accepted in accordance with provision contained in that letter. The responsibility of the contractor commences from the date of issue of this letter and all the terms and conditions of contract are applicable from this date.
- 1.7 'COMPLETION TIME'** shall mean the period specified in the Letter of Intent or date mutually agreed upon for completing the work / services stipulated in the work order to the satisfaction of the Engineer being of required standard and conforming to the specifications of the contract.
- 1.8 'PLANT'** shall mean and connote the entire assembly of the plant and equipment's covered by the Contract.
- 1.9 'EQUIPMENT'** shall mean all machinery, materials, structurals, electricals and other components of the plant covered by the contract.
- 1.10 'TESTS'** shall mean and include such test or tests to be carried out by 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 contracted work or part thereof.
- 1.11 'APPROVED, DIRECTED or INSTRUCTED'** shall mean approved, directed or instructed by BHEL Engineer / Site Engineer / Project- in-charge/ Engineer-in-Charge.
- 1.12 'WORK' or 'CONTRACT WORK'** shall mean and include the work to be done by the Contractor as specified in the Tender documents.

Prepared by

Approved by

Date of Issue .

R.K.Mundra

C.P.Jaiswal

13.06.2009



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 2 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

- 2.0 'LAW GOVERNING THE CONTRACT AND COURT OF JURISDICTION'** The contract shall be governed by the law for the time being in force in the Republic of India. The Civil Court at Bhopal shall alone have exclusive jurisdiction in regard to all claims in respect of this Contract.
- 3.0** The tenderer shall give an undertaking under the official secret Act for maintaining secrecy of the tender documents, drawings or other records connected with the work given to him. The unsuccessful tenderer shall return all the drawings / documents given to them.
- 4.0 EXPERT AVAILABILITY WITH THE BIDDER**
- 4.1** The bidder should have minimum two experts available in each of the packages listed below having minimum 5 years experience:
- i. Balance of Plant (BOP):** Coal handling Plant, Ash Handling Plant, Cooling Water system, Compressed Air System, Fuel Oil System, Auxiliary Cooling Water (ACW) & Bearing Cooling Water (BCW) systems, Water system inclusive of Raw water system, DM water system & Chlorination system, AC & ventilation system, Cranes & Hoists, Fire fighting system, Control & Instrumentation for BOP, associated civil works.
 - ii. Electrical Systems:** 220/400 KV Switchyard, Generator transformer, Station transformer, Unit auxiliary Transformer, HT switchgears (UAT), CTs, PTs & Generator bus ducts, LT auxiliary transformers, 415 V MCC.
- 4.2** The bidder shall have facility of AutoCAD, electronic mail service and well setup office with adequate staff.
- 5.0 ISSUES OF NOTICE**
The Contractor shall furnish to the Engineer, the name designation and address of his authorised agent/ In-charge of Project and all complaints, notices, communications and references shall be deemed to have been duly given to the Contractor, if delivered to the Contractor or his authorised agent or left at or posted to the address either of the contractor or his authorised agent and shall be deemed to have been so given in the case of posting on the day on which they would have reached such address in the ordinary course of post or at which they were so delivered or left.
- 6.0 SUB-LETTING OF CONTRACT**
The tendered work cannot be subletted unless specific approval of BHEL is obtained.
- 7.0 REJECTION OF BID DUE TO UNSATISFACTORY PERFORMANCE IN THE PAST**
The bid of the contractor may be rejected due to unsatisfactory performance in the past at any of the BHEL units or due to rejection of the contractor by the customer.
- 8.0 EARNEST MONEY - NIL**
- 9.0 SECURITY DEPOSIT**
Upon acceptance of tender, the successful tenderer must deposit the required amount of security deposit, after adjusting the amount of Earnest Money duly deposited with the Tender, within the time specified in the letter of intent for satisfactory completion of work.
- 9.1** The total amount of Security Deposit shall be as follows:
(i) In the case of work costing upto Rs. 10 lakhs:- 10%.



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 3 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

- (ii) Above Rs. 10 lakhs upto Rs. 50 lakhs:- 1 lakh + 7.5 % of the amount exceeding Rs. 10 lakhs.
(iii) Above Rs. 50 lakhs:- Rs. 4 lakhs + 5 % of the amount exceeding Rs. 50 lakhs.

The security deposit, calculated as above shall be deposited with in 15 days from the date of issue of letter of indent but before the start of work in any one of the following forms.

a) The total Security Deposit may be deposited with the cash office of BHEL.
or

b) 50% of Security Deposit in cash or in the form of Bank Guarantee in the prescribed proforma as per **ANNEXURE "B"**. Balance shall be recovered from running bills @ 10% of the value of each running bill commencing from first running bill itself till the full Security Deposit is made up. **The Bank Guarantee should be from any one of our consortium bank as per list enclosed at Annexure "C"**.

9.2 Validity of the Bank Guarantee furnished towards Security Deposit under clause 12.1 b) above, shall be valid up to the period of completion of work as stipulated in the Letter of Intent plus 03 (three) months claim period and the same will be kept valid by proper renewal till the satisfactory completion of the Guarantee period.

9.3 If the value of the work done at any time exceeds the accepted Contract value, the Security Deposit shall be correspondingly enhanced and the extra Security Deposit shall be immediately deposited by the Contractor otherwise it shall be recovered from payments due to him. Failure to deposit the Security Deposit within the stipulated time may lead to forfeiture of Earnest Money and cancellation of the award of work. 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 fulfil 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 any other contracts with BHEL.

10.0 RETURN OF SECURITY DEPOSIT:

If the contractor fully performs and completes the works in all respects to the entire satisfaction of BHEL and presents an absolute "No Demand Certificate" in the prescribed form and returns properties belonging to BHEL taken, borrowed or hired by him for carrying out the said works, half the amount of Security Deposit will be released along with final bill to the contractor after deducting all costs, expenses and other amounts that are to be paid to BHEL under this or other contracts entered into with the Contractor. Balance half of the amount of security deposits will be released only after the guarantee period is over. In case contractors wants refund of total security money deposited by him along with final bill, the contractor will have to submit a BG of an amount equivalent to 50% of the total security deposit at the time of final bill with validity up to the expiry of Warrantee period + 3 months claim period.

11.0 COMMENCEMENT & COMPLETION OF WORK

The contractor shall commence the work within the time indicated in the Letter of Intent and shall proceed with the same with due expedition without delay. No mobilisation charges of any kind are payable.

11.1 If the successful tenderer fails to commence the work within the stipulated time, BHEL at its sole discretion will have the right to cancel the contract.

11.2 The Earnest money and / or Security Deposit will stand forfeited without any further reference to the Contractor without prejudice to any of BHEL's other rights and remedies in this regard.



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 4 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

11.3 All the works shall be carried out under the direction and to the satisfaction of BHEL within given time frame.

12.0 INTEREST CHARGES: No interest shall be payable by BHEL on Earnest Money, Security Deposit / or on any moneys due to the Contractor by BHEL.

13.0 MEASUREMENT OF WORK AND MODE OF PAYMENT

13.1 All payments due to the contractor shall be made through 'Account Payee' Cheque/ Demand draft issued from BHEL Bhopal. The bank's fee for issuance of D.D. is recoverable from contractor's bills.

13.2 For progress/running bill payments, the contractor shall present bills/invoices in duplicate duly indicating all relevant details and showing percentage completion of all items as per price schedule completed during the period for which the payment has been claimed.

13.3 The Engineer will check these measurement sheets, quantities and percentages eligible for payment. After due checking and verification the abstract of quantities and percentages so arrived at based on the terms of payment shall be entered in the Measurement Book and signed by both the parties.

13.4 Payment shall be made by BHEL after affecting the recoveries due from the contractor if any.

13.5 Measurement shall be restricted to that quantity for which it is required to ascertain the financial liability of BHEL under this contract.

13.6 Passing of bills covered by such measurement does not amount to acceptance by BHEL of the completion of the work measured. Any left out work has to be completed by the Contractor, as directed.

13.7 Final measurement bill shall be prepared in the proforma prescribed for the purpose, based on the certificate issued by the Engineer that the entire work as stipulated in the tender specifications has been completed in all respect to the entire satisfaction of BHEL. The Contractor shall give unqualified 'No claim' and 'no demand' certificates. The abstract of final quantities and financial values shall also be entered in the measurement book and signed by both the parties. The final bill shall be paid within a reasonable time after completion of the work.

14.0 RIGHTS OF BHEL

BHEL reserves to itself the following rights in respect of this contract without entitling the contractor to any compensation.

14.1 To get the work done through another agency at the risk and cost of contractor, in the event of poor progress or the contractor's not starting the work, after once shifting it, poor progress or inability to progress the work for completion as stipulated in the contract, poor quality of work persistent disregard of instructions of BHEL assignment, transfer, subletting of the contracted work without written permission of BHEL, non-fulfillment of any contractual obligations etc. and to claim/recover compensation for such losses from the contractor including BHEL's supervision charges and overheads from Security Deposit / other dues in addition to any other action that may be taken.

14.2 To withdraw any portion of work and/or to restrict/alter quantum of work as indicated in the contract during the progress of erection and get it done through another agency and/or by the departmental labour to suit BHEL's commitments to its customer or in case BHEL decides to advance the completion due to other emergent reasons/BHEL's obligation to its customer.



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 5 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

- 14.3 To terminate the contract after due notice and forfeit the Security Deposit and recover the loss sustained in getting the balance work done through other agencies in addition to liquidated damages in the event of:
- 14.3.1 Contractor's continued poor progress.
 - 14.3.2 Withdrawal from or abandonment of the work before completion of the work
 - 14.3.3 Corrupt act of the contractor.
 - 14.3.4 Insolvency of the contractor
 - 14.3.5 Persistence disregard of the instructions of BHEL Assignment, transfer, subletting of the contract work without BHEL's written permission
 - 14.3.6 Non-fulfillment of any contractual obligations or obligations under the law
- 14.4 To recover any money due from the Contractor from out of any moneys due to the contractor under this or any other contract or from the Security Deposit.
- 14.5 To claim penalty or compensation for losses sustained including BHEL's supervision charges and overheads in case of termination of contract and/or to levy liquidated damages for delay in completion of work.
- 14.6 To determine the Contract or to restrict the quantum of work and pay for the portion of work done in case BHEL's contract with its customer is terminated for any reason.
- 14.7 To effect recoveries from any amounts due to the contractor under this or any other contract or in any other from the moneys which BHEL is forced to pay to anybody due to contract's failure to fulfill any of his obligations.
- 14.8 To restrict or increase the quantity and nature of work to suit site requirements, since the tender specification is based on preliminary documents and quantities furnished therein are indicative and approximate and the rates quoted shall not be subjected to revision.
- 14.9 To deploy BHEL's skilled and semiskilled workmen in case of emergency/poor progress/deficiency in skill on the part of the employees of the contractor and to recover the expenditure on account of the same from the money due to the contractor.
- 14.10 While every endeavour will be made by BHEL to this end, BHEL cannot guarantee uninterrupted work due to conditions beyond its control. The contractor will not be entitled to any compensation/extra payment on this account.
- 14.11 In the event of any dispute of technical nature, the decision of BHEL shall be final and binding on the Contractor.
- 15.0 RESPONSIBILITIES OF CONTRACTOR :**
- 15.1** The contractor should follow the prevailing industrial / labour laws as amended from time to time and shall also take all safety measures required during the execution of this order.
- 15.2** The Contractor shall be fully responsible for correctness & quality of his work to the entire satisfaction of BHEL / Customer. The work shall be executed in accordance with the directions, instructions, drawings and specification. The work shall be performed in a first class, neat and good workmanship manner by technical staff skilled in the trade involved. The installation shall be carried out in such a manner as to preserve access to other equipment installed. If during the progress of manufacture or supply of plant, BHEL/ customer notifies in writing to the contractor that the contractor has manufactured any plant or part of plant unsound or imperfect, or has supplied any plant inferior in quality to that specified, the contractor on receiving details of such defects or deficiency, shall at his own expenses, within such time as may be reasonably necessary for the purpose, alter, reconstruct or remove such plant or part of plant or supply fresh materials as per standard specification and in case the contractor shall fail to do so, BHEL may on giving the contractor thirty days notice in writing of his intention to do so, proceed to alter, reconstruct or remove such plants or part of plants at the contractor's cost provided that nothing in this clause shall be deemed to deprive BHEL/ customer or



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 6 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

affect any rights which he may otherwise have in respect of such defect or deficiencies and provided that such replacement shall be carried out by BHEL/ customer within a reasonable time and at a reasonable price and as far as possible, to the same specification and under competitive conditions.

If the completed plant or any portion taken over is found to be defective or fails to fulfil the requirement of the contract, the engineer shall forthwith give the contractor notice setting forth particulars of defects or failure and the contractor shall make the defects good, or alter the same to make it comply with the requirements of contract. If the contractor fails to do so, within a reasonable time, BHEL/ Customer may reject and replace at the cost of the contractor, the whole or any portion of the plant, as the case may be, which is defective or fails to fulfil the requirement of the contract. In case of such replacement by BHEL, contractor shall be liable to pay to BHEL the extra cost, if any of such replacement delivered and / or erected as provided for in the original contract. Such extra cost and the damages being the ascertained difference between the prices paid by BHEL/ Customer, under the provision above mentioned for such replacement and the contract price for the plant so replaced and also to repay any sum paid by BHEL/ Customer to the contractor in respect of such defective plant.

15.3 If in the opinion of the contractor any work is insufficiently specified or required modifications, the Contractor shall refer the same in writing to the Engineer and obtain his instruction / approval in writing before proceeding with the work. If contractor fails to refer such instance, any excuse for faulty erection, for poor workmanship or delay in completion shall not be entertained.

15.4 Land belonging to BHEL or its customer under temporary possession of BHEL shall not be occupied by the contractor without the written permission of BHEL.

15.5 The old plant and equipment, which are being replaced by new plant and equipment will be the property of the customer. The customer shall provide land for storing the dismantled plant and equipment within the plant premises. The contractor shall stack the dismantled material properly.

15.6 The Contractor will be required to sign a contract with BHEL on Non-judicial stamp paper as per **Annexure – "A"**. The cost towards agreement shall be born by the contractor.

15.7 All the properties/equipment/components of BHEL/its customer loaned with or without deposit, to the contractor shall remain the properties of BHEL/ its customer. The contractor shall use such properties for the purpose of execution of this contract. All contractor shall return them in good conditions as and when required by BHEL/its customer. In case of non-return, loss, damaged, repairs, etc., cost thereof, as may be fixed by the Engineer, will be recovered from the contractor.

15.8 It shall not be obligatory on the part of BHEL/ customer to supply any tools and tackles. Depending upon availability, possibility, BHEL/its customer's equipment and other materials may be made available to the contractor on payment of hire charges as fixed by them subject to the conditions laid down by BHEL/its customer from time to time. Unless paid in advance, such hire and other charge shall be recovered from out of dues to the contractor in one instalment.

15.9 The contractor shall not claim any compensation due to reduction in the scope of work due to changes in design, which curtail the quantum of work.

15.10 The contractor shall fully indemnify BHEL/its customer against all claims of whatever nature arising during the course of execution of this contract due to the acts of contractor/his personnel.

In the event of any claim or demand being made or action being brought against BHEL/ Customer for infringement or alleged infringement of letter, patent in respect of any machine plant, work or thing used or supplied by the contractor under this contract or in respect of any method of using or working by BHEL/ Customer of such machines, plant, work or thing, the contractor will indemnify BHEL/Customer against such claim or demand and all costs and expenses arising from or incurred by reason of such claim



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 7 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

or demand. In case the equipment in such suit or proceedings is held to constitute infringement and the use of the equipment or part is prohibited, the contractor shall at his own expenses either procure for BHEL/ Customer the right to continue using the equipment, modified it so as it becomes non-infringing or remove the equipment and refund BHEL/Customer price plus the transportation and installation cost thereof.

15.11 The contractor shall ensure that no damage is caused to any person/any existence work/property of customer/other parties working at site. If any such damage is caused, it shall be the responsibility of the contractor to make good the losses and compensate the affected parties at his own cost. The contractor shall indemnify BHEL for any such eventuality (Annexure 'B').

15.12 Any delay in completion of work or non-achievement of periodical targets due to reasons attributable to the contractor, will have to be compensated by the contractor either by increased manpower and resources or by working extra hours or more than one shift at no extra cost to BHEL.

15.13 The contractor shall execute the work under the conditions usual to such power plant construction and in conjunction with numerous other operations at site. The contractor and his personnel shall co-operate and co-ordinate with other agencies at project site and proceed in a manner that shall help in the progress of work at site as a whole.

15.14 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 shall also demolish all the hutment's 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 for the same shall be recovered from the contractor.

15.15 The contractor shall execute the work in the most professional 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.

15.16 Contractor shall not stop work or abandon the site for what so ever reason or dispute, excepting for force majeure conditions. All problems/dispute shall be separately discussed and settled without affecting the progress of work, stoppage or abandonment of work, other than under force majeure conditions, shall be treated as breach of contract and dealt with accordingly.

15.17 OBSERVING LOCAL LAWS, PROVIDING WORKMEN & SUPERVISORY PERSONNEL

- The following are the responsibilities of the contractor in respect of observance of local laws, employment of personnel, payment of taxes etc. -

a) The contractor shall engage sufficient staff to maintain the required rate of progress and quality of workmanship. If unskilled workers are required to be engaged, the same shall be engaged, as far as possible, from local areas in which the work is being executed. Claim for idle labour/machinery due to non-supply of any material by BHEL or for any other reasons will not be entertained. During the continuance of this contract, the contractor shall have due regard to all local festival, religious events and other customs, in all his dealings with the local labour for the time being employed on or in connection with the work.

b) The Contractor shall comply with all local, state and central laws, statutory rules, Regulations, etc., such as: the payment of wages Act, the Minimum Wages Act, The Workmen's Compensation Act, The Employer's Liability Act, The Industrial Disputes Act, The Employees Provident Fund Act, Employees State Insurance Scheme, The Contract labour (Regulations and Abolition) Act, 1970 and other Acts, Rules and Regulations for labour as may be enacted by the Government during the tender of the Contract and having force or jurisdiction at site. The contractor will be required to seek registration, if required, as per local laws. obtain The contractor shall give to the local governing body,



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 8 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

police and other concerned project site authorities all such notice (s) as may be required under law.

- c) The Contractor, in the event of the Contract engaging 20 or more workmen, shall obtain independent license under the Contract Labour (Regulations and Abolition) Act, 1970 from the concerned authorities based on the certificate (Form V) issued by the Principal employer / customer.
- d) The contractor shall pay all taxes, fees, license charges which may be him or otherwise as deemed fit.
- e) The contractor shall make all arrangements and shall also meet all expenses in connection with his workmen's qualification / re-qualification test(s) etc at site.
- f) All safety rules and codes are applicable to work shall be followed without any exception.
- g) The contractor shall arrange to provide guards and prominently display caution notices, in unsafe and hazardous area.
- h) The contractor shall be responsible for the provision of health and sanitary arrangements as described in the contract labour Regulations and Abolition Act, 1970.
- i) The contractor shall be responsible for safety precautions as may be required for safe and satisfactory execution of the contract.
- j) All safety rules and codes applied by BHEL/its customer at site shall be observed by the contractor and his workmen without exception. The contractor shall be responsible for the safety of the equipment/material and work to be performed by him and shall maintain all lights, fencing guards, signs etc. or other protections 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 etc. Suitable number of clerical staff, watch and ward staff & storekeepers to take care of equipment, material, construction tools and tackles shall be posted at site by the contractor till the completion of the work. The contractor shall arrange for such safety devices as are necessary for this type of work and carryout the requisite site test of handling equipment, lifting tools, tackles etc. as per usual standards and practices.
- k) The contractor shall make his own arrangement for proper accommodation including adequate medical facilities for the personnel employed by him.
- l) The contractor will be directly responsible for payment of wages to his workmen. A pay-roll sheet giving details of all payments made to the workmen duly signed by the contractor's representative be furnished to BHEL for record purpose.
- m) No idle labour charges will be admissible in the event of any stoppage of work resulting in the contractor's workmen being rendered idle due to any reason at any time.
- n) The contractor shall furnish progress reports on work at regular intervals as required by the Engineer.
- o) **Gate Pass** for entry into power station would be required for all the persons deployed by the contractor at site. Special permission would be required for working beyond normal working hours. The contractor shall be arranging the passes and working permission beyond normal working hours on their own. BHEL Engineer shall provide necessary help and guidance for the same. Normal working hours in the plant is 8 hours. Completion time is the essence of the contract. Hence the contractor may be required to arrange working in extended working hours/ round the clock working to achieve scheduled completion date.
- p) The contractor has to ensure that the people deployed by them restrict their movement in the area earmarked for the project. For movement in area other than earmarked for project prior permission of BHEL Engineer is required. The contractor shall abide by all the rules and regulations of the power station.

16.0 STRIKES AND LOCKOUTS

- 16.1 The contractor will be solely responsible for all disputes and other issues connected with his workmen. In the event of contractor's workmen resorting to strike or the contractor resorting to lockout and, if the strike or lockout so declared is not settled within a period of one month, BHEL shall have the right to get the work executed employing its own



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 9 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

men or through other agencies or both. The cost incurred by BHEL in this regard shall be recovered from the contractor.

- 16.2** For any purpose whatsoever, the employees of the contractor shall not be deemed to be in the employment of BHEL.

170 FORCE MAJEURE

- a)** The following shall amount to force majeure conditions: Acts of God, act of any Government, War, sabotage, riots, civil commotion, police action, revolution, flood, fire, cyclone, earthquake and epidemic and other similar causes over which the Contractor has no control.
- b)** If the Contractor suffers delay in the execution of the Contract, due to delay caused by force majeure conditions, as defined above, the agreed time for completion of the work covered by this contract shall be extended by a period of time equal to the period of the delay, provided the Contractor immediately reports to BHEL in writing the causes for the delay. The Contractor shall not be eligible for any compensation on account of any extension in time of completion given to Contractor due to force majeure conditions.

18.0 SETTLEMENT OF DISPUTES:

- 18.1** Except as otherwise specifically provided in the contract all disputes concerning questions of fact arising under the contract shall be decided by the engineer subject to a written appeal by the contractor to the engineer, whose decision shall be final to the parties hereto.
- 18.2** Any disputes or differences including those considered as such by only one of the parties arising out of or in connection with the contract shall be to the extent possible settled amicably between the parties.
- 18.3** If amicable settlement cannot be reached then all disputed issues shall be settled by arbitration as provided in relevant clause.

19.0 ARBITRATION

- 19.1** All disputes between the parties to the Contract arising out of or in relation to the Contract, other than those for which the decision of the Engineer in the Contract or any other person is expressed to be final and conclusive, shall after written notice by either party to the contract to the other party, be referred to sole arbitration of the General Manager or his nominee. The Arbitration shall be conducted in accordance with the provisions of the Indian Arbitration and Reconciliation Act, 1996.
- 19.2** The parties to the Contract understand and agree that there will be no objection that the General Manager or the person nominated as arbitrator had earlier in his official capacity directly or indirectly dealt with the matters to which the Contract relates or that in the course of his official duties had expressed views on all or any of the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties to this contract.
- 19.3** The contractor shall continue work under the contract during the arbitration proceedings, unless the matter is such that the work cannot possibly be continued until the dispute or differences are settled by the arbitration and save as those which are otherwise expressly provided in the contract.
- 19.4** The arbitration proceedings shall be held at Bhopal. The jurisdiction of courts for these proceeding shall be at Bhopal.



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION****PDX 09 072**
Page 10 of 16**GENERAL TERMS AND CONDITIONS****REV. 05****ANNEXURE – "A"****AGREEMENT****(To be issued in appropriate valid non –judicial stamp paper issued from State of
Madhya Pradesh)**

THIS AGREEMENT MADE THIS..... DAY OF 200.... Between
BHARAT HEAVY ELECTRICALS LIMITED, Bhopal (A Government of India Enterprise) a Company
incorporated under the Companies Act 1956, having its registered office at BHEL House, Siri
Fort, New Delhi – 110 049 (hereinafter called BHEL) of the ONE PART
AND

.....
..... (hereinafter called the 'Contractor') of the SECOND PART.

WHEREAS M/s state that they have acquired and possess
extensive experience in the field of
and whereas in response to an Invitation to Tender No..... dated issued by
BHEL for the execution of the Contractor submitted their offer dated.....
And whereas BHEL has accepted the offer of the Contractor on terms and conditions specified
in the Letter of Intent No..... dated..... Read with the reference cited therein.

THIS AGREEMENT WITNESSESS AND it is hereby agreed by and between the parties as
follows:

That the Contractor shall execute the work of
and more particularly described in Tender specification (hereinafter called the said works) in
accordance with and subject to terms and conditions contained in these presents, Instructions
to Tenderers, General Conditions of Contract, Special Conditions, annexures, Letter of Intent
dated and such other instructions, drawings, specifications given to him from time to
time by BHEL.

The Contractor is required to furnish to BHEL Security Deposit in the forms of cash/approved
securities / Bank Guarantee valid upto for a sum of Rs..... (Rupees
.....) towards satisfactory performance and completion
of the Contract.

The Contractor has furnished a Guarantee bearing No..... Dated for a
sum of Rs..... (Rupees.....) executed by
..... Bank in favour of BHEL towards Security Deposit valid up to..... (The
Contractor has furnished to BHEL an initial Security Deposit of Rs..... in cash /Approved
Securities/BG for Rs..... And has agreed for recovery of the balance security deposit by
BHEL..... @ 10% of the value of work done from each running bill till the entire security
deposit is recovered).

The contractor hereby agrees to extend the validity of the Bank Guarantee for such further
period or periods as may be required by BHEL and if the contractor fails to obtain such
extension (s) from the Bank, the contractor shall pay forthwith or accept recovery of Rs.....
from the bills in one instalment and the Contractor further agrees that failure to extend the
validity of the Bank Guarantee or failure to pay the aforesaid amount in the manner specified
above shall constitute breach of contract. In addition to above. BHEL shall be entitled to take
such action as deemed fit and proper for recovering the said sum of Rs.....



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 11 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

That in consideration of the payments to be made to the contractor by BHEL in accordance with this Agreement the Contractor hereby convenience and undertakes with BHEL that they shall execute, construct, complete the works in conformity, in all respects, with the terms and conditions specified in this Agreement and the documents governing the same.

That the Contractor shall be deemed to have carefully examined this Agreement and the documents governing the same and also to have satisfied himself as to the nature and character of the works to be executed by him.

That the Contractor shall carry out and complete the execution of the said works to the entire satisfaction of the Engineer or such other officer authorised by BHEL, within agreed time schedule, the time of completion being the essence of the Contract.

That BHEL shall, after proper scrutiny of the bills submitted by the Contractor, pay to him during the progress of the said works such sum as determined by BHEL in accordance with this Agreement.

That this Agreement shall be deemed to have come into force from the date on which the letter of intent has been issued to the Contractor.

That whenever under this contract or otherwise, any sum of money shall be recoverable from a payable by the Contractor, the same may be deducted in the manner as set out in the General Conditions of Contract or other conditions governing this Agreement.

That all charges on account of Octroi, Terminal and other Taxes including sales tax or other duties on material obtained for execution of the said works shall be borne and paid by the Contractor.

That BHEL shall be entitled to deduct from the Contractor's running bills or otherwise Income Tax under Section 194(C) of the Income Tax Act, 1961.

That BHEL shall be further entitled to recover from the running bills of the contractor or otherwise such sum as may be determined by BHEL from time to time in respect of consumables supplied by BHEL, hire charges for tools and plants issued (where applicable) and any other dues owed by the contractor.

That it is hereby agreed by and between the parties that non-exercise, forbearance or omission of any of the powers conferred on BHEL and/or any of its authorities will not in any manner constitute waiver of the conditions here to contained in these presents and the liability of the Contractor with respect to compensation payable to BHEL or Contractor's obligations shall remain unaffected.

It is clearly understood by the between the parties that in the event of any conflict between the Letter of Intent and other documents governing this Agreement, the provisions in the letter of intent shall prevail.

The following documents:-

- (a) Invitation to Tender No..... and the documents specified therein
- (b) Contractor's Offer No..... date.....
- (c) Letter of Intent No..... date
- (d)

shall also form part of & shall govern this Agreement.



BHEL, BHOPAL

PRODUCT STANDARD
PROJECT DIVISION

PDX 09 072
Page 12 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

IN WITNESS HEREOF, the parties hereto have respectively set their signature in the presence of:

(CONTRACTOR)

to be signed by a person holding a valid Power of Attorney

For and on behalf of Bharat Heavy Electricals Ltd, Bhopal

WITNESS: -

1.
2.



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION****PDX 09 072**
Page 13 of 16**GENERAL TERMS AND CONDITIONS****REV. 05****ANNEXURE – “B”****MODEL FORM OF BANK GUARANTEE (FOR SECURITY DEPOSIT)
(To be issued in appropriate valid non-judicial stamp paper of appropriate value)**

In consideration of the Bharat Heavy Electricals Limited, having its registered Office at BHEL House, Siri Fort, New Delhi (hereinafter called BHEL), having agreed to exempt (hereinafter called “the said Contractor (s)” from the demand, under the terms and conditions of the Agreement dated made between BHEL and for (hereinafter called “the said Agreement”) of Security (name of work) deposit for the due fulfilment by the said contractor(s) of the terms and conditions contained in the said Agreement, on production of a bank guarantee for Rs..... (RupeesOnly) We at the

(indicate the name of the Bank)

(hereinafter referred to as “the bank”) request of contractor(s) do hereby undertake to pay to BHEL and amount not exceeding Rs..... against any loss or damage caused to or suffered or would be caused to or suffered by BHEL, by reason of any breach by the said contractor(s), of any of the terms or conditions contained in the said Agreement.

We, do hereby undertake to pay the amounts due and payable (indicate the name of the Bank) under this guarantee without any demur, merely on a demand from BHEL, stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by BHEL by reason of breach by the said Contractor(s) of any of the terms or conditions contained in the said Agreement or by reason of the contractor(s)’s failure to perform the said Agreement. 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.....

3. We, undertake to pay to BHEL any money so demanded (indicate the name of the Bank)

notwithstanding any dispute or disputes raised by the Contractor(s) / supplier(s) in any suit or proceeding pending before any court or Tribunal relating thereto, our liability under these presents being absolute and unequivocal.

The payment so made by us under this bond shall be a valid discharge of our liability for payment there under and the contractor(s) / supplier(s) shall have no claim against us for making such payment.

We further agree that the guarantee herein contained (indicate the name of the Bank) shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of BHEL under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till BHEL certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Contractor(s) and accordingly discharges this guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before we shall be discharged from all liability under this guarantee thereafter.

We further agree with BHEL that BHEL shall have the fullest (indicate the name of the Bank) liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the BHEL against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation,



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 14 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of BHEL or any indulgence by BHEL to the said Contractor(s) 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.

This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s) / Supplier(s).

We, lastly undertake not to revoke this guarantee during its
(indicate the name of the Bank) currency except with the previous consent of BHEL in writing.

Dated Day..... of 200

For
(indicate the name of the Bank)

Witness :

1. -----

2 -----

Note : The above format is drawn upon the model form jointly evolved by the Reserve Bank of India, the Indian Banker's Association and the Ministry of Finance, Government of India as circulated by Indian Banker's Association, Bombay vide their letter No. LA/14-61/7808 dated 1/5/1980 as such no deviations are acceptable.

To be issued in appropriate valid non-judicial stamp paper prevalent in the state where the same is executed which is to be certified by the Notary Public or any other competent officer of that state.



BHEL, BHOPAL

PRODUCT STANDARD
PROJECT DIVISION

PDX 09 072
Page 15 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

ANNEXURE "C"

LIST OF CONSORTIUM BANKS

- 1. State Bank of India**
- 2. ABN Amro Bank N.V.**
- 3. Bank of Baroda**
- 4. Canara Bank**
- 5. Citi Bank N.A.**
- 6. Corporation Bank**
- 7. Deutsche Bank**
- 8. HDFC Bank Ltd.**
- 9. The Hongkong and Shanghai Banking Corporation Ltd.**
- 10. ICICI Bank Ltd.**
- 11. IDBI Ltd.**
- 12. Punjab National Bank**
- 13. Standard Chartered Bank**
- 14. State Bank of Travancore**
- 15. State Bank of Hyderabad**
- 16. Syndicate Bank**



BHEL, BHOPAL

**PRODUCT STANDARD
PROJECT DIVISION**

PDX 09 072
Page 16 of 16

GENERAL TERMS AND CONDITIONS

REV. 05

ANNEXURE "D"

**(TO BE ISSUED IN NON-JUDICIAL STAMP PAPER OF Rs. 10/- issued from
State of Madhya Pradesh)**

INDEMNITY BOND

WHEREAS THE (Name of the contractor) M/s. _____, having its
registered office at, _____ has taken the contract
for tender NO..... & Contractor's Offer
No.....but the sub-contractors have also to obtain licence under the
contract Labour (Regulation & Certificate under Form-V of the said rules.

So on the request of (Name of the contractor) M/s.....M/s
Bharat Heavy Electricals Limited, Bhopal has agreed to issue certificate in Form-V
in respect of the sub-contractor mentioned below. M/s _____,
therefore, undertake to fully indemnify the M/s Bharat Heavy Electricals Limited,
Bhopal from any financial implication whatsoever that may arise due to the grant of
certificate in respect of sub-contractors of (name of the contractor in Form-V under
contract Labour (Regulation & Abolition) Act. 1970 and its rules.

- 1.
- 2.
- 3.

Contractor