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TENDER SPECIFICATION

CONSISTING OF:

- Volume-IB : Special Conditions of Contract (Rev 01),
- Volume-IC : General Conditions of Contract(Rev 01),
- Volume-ID : Forms & Procedures (Rev 01).



Bharat Heavy Electricals Limited
(A Government of India Undertaking)
Power Sector - Western Region
345-Kingsway, Nagpur-440001

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Volume - IB SPECIAL CONDITIONS OF CONTRACT (SCC)

(Document No PS:MSX:SCC)

BHARAT HEAVY ELECTRICALS
LIMITED



SPECIAL CONDITIONS OF CONTRACT (SCC) Contents

| SN | DESCRIPTION | Chapter | No. OF PAGES |
|-----------|---|----------------|---------------------|
| 1 | General Intent of the Specifications | Chapter-I | |
| 2 | General Services to be rendered by the Bidder | Chapter-II | |
| 3 | General Technical Requirements (Codes and Standards) | Chapter-III | |
| 4 | Obligations of Contractor (In respect of Tools, Tackles, Consumables, etc employment of supervisory staff and workmen) | Chapter-IV | |
| 5 | Responsibilities of Contractor (In respect of employment of Labour, Supervisory staff, etc) | Chapter-V | |
| 6 | Material Handling, Storage, Preservation, etc | Chapter-VI | |
| 7 | Drawings and Documents | Chapter-VII | |
| 8 | Inspection and Quality | Chapter-VIII | |
| 9 | HSE & OHSAS Obligations | Chapter-IX | |
| 10 | RA Bill Payment | Chapter-X | |
| 11 | Performance Monitoring | Chapter-XI | |
| 12 | Suspension of Business Dealings | Chapter-XII | |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - I : General Intent of Specifications

| 1.0 | INTENT OF THE SPECIFICATION |
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| 1.1 | The intent of this erection specification is to provide services for execution of the project according to most modern and proven techniques and codes. The omission of specific reference to any method, equipment or material necessary for the proper and efficient services towards installation of the plant shall not relieve the contractor of the responsibility of providing such services / facilities to complete the work or portion of work awarded to him. The quoted / accepted rates / price shall deem to be inclusive of all such contingencies. |
| 1.2 | The work shall conform to dimensions and tolerances given in various drawings and documents that will be provided during erection. If any portion of works is found to be defective in workmanship and not conforming to drawings / documents or other stipulations, the contractor shall dismantle and re-do the work duly replacing the defective materials at their own cost, failing which recoveries, as determined by BHEL, shall be effected from contractor's bills. |
| 1.3 | It is not the intent of this specification to specify herein all the details of erection and commissioning. However, the system shall conform in all respects to high standards of quality and workmanship for performing the required duties in a manner acceptable to purchaser who will interpret the meaning of drawings and specifications and shall be entitled to reject any work or material, which in his judgments is not in full accordance herewith. |
| 1.4 | The omission of specific reference to any fabrication / erection or other method, equipment or material necessary for proper and efficient working of the plant shall not relieve the tenderer of the responsibility of providing such facilities to complete the work at quoted rates. Any mismatch/ defect found due to mistake in fabrication / erection shall have to be rectified by the vendor free of cost. Inspection by BHEL/Customer does not relieve vendor of his responsibility of executing quality erection. |
| 1.5 | The work covered under this specification is of highly sophisticated nature, requiring the best quality workmanship, supervision, engineering and construction management. The contractor should ensure proper planning and successful and timely completion of the work to meet the overall project schedule. The contractor must deploy adequate quantity of tools & plants, modern / latest construction aids etc. He must also deploy adequate trained, qualified and experienced supervisory staff and skilled personnel. |

SPECIAL CONDITIONS OF CONTRACT (SCC)

Chapter - I : General Intent of Specifications

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| 1.6 | Contractor shall erect and commission all the equipments and auxiliaries as per the sequence & methodology prescribed by BHEL depending upon the technical requirements. Availability of materials and fronts will decide this. BHEL Engineer's decision regarding correctness of the work and method of working shall be final and binding on the contractor. No claims for extra payment from the contractor will be entertained on the ground of deviation from the methods / sequence adopted in erection of similar sets elsewhere. |
| 1.7 | Following shall be the minimum responsibility of contractor and have to be provided within finally accepted rates / prices: |
| 1.7.1 | Provision as required of all types of labour, supervisors, engineers, watch and ward, tools & tackles, calibrated MMEs (Monitoring and Measuring Equipment) as specified and otherwise required for the work, consumables for erection, testing and commissioning including material handling |
| 1.7.2 | Achieving Proper out-turn / Turn-over as per BHEL plan and commitment. |
| 1.7.3 | Completion of work as per BHEL Schedule |
| 1.7.4 | Good quality and accurate workmanship for proper performance of the equipment |
| 1.7.5 | Repair and rectification |
| 1.7.6 | Preservation / Re-conservation of all components during storage / erection / commissioning till handing over. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - II : General Services to be rendered by the Bidder

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| 2.0 | GENERAL SERVICES TO BE RENDERED BY THE BIDDER |
| 2.1 | Services for construction, fabrication, equipment erection testing as well as trial run & commissioning of various equipment and accessories under the contract shall include but not be limited to the following: |
| 2.2 | Issuing materials from store/open yard from time to time for erection as per the construction programme. The Contractor shall be the custodian of all the materials issued till the plant/equipment is officially taken over by the owner / BHEL after complete erection any successful trial run & commissioning. |
| 2.3 | Transport of material to their respective places of erection and erection of the complete plant & equipment as supplied under this specification. |
| 2.4 | Trial run and commissioning of individual equipment / sub-systems to the satisfaction of Owner/BHEL. |
| 2.5 | Deployment of all skilled and unskilled manpower required for erection, supervision of erection, watch & ward, commissioning and other services to be rendered under this specification. |
| 2.6 | Deployment of all erection tools & tackle, construction machinery, transportation vehicles and all other implements in adequate number and size, appropriate for the erection work to be handled under scope of this specification except otherwise specified. |
| 2.7 | Supply of all consumables, eg welding electrodes, cleaning agents, diesel oil, lubricant etc as well as materials required for temporary supports, scaffolding etc as necessary for such erection work, unless specified other wise. |
| 2.8 | Providing support services for the contractor's erection staff eg construction of site offices, temporary stores, residential accommodation and transport to work site for erection personnel, watch and ward for security and safety of the materials under the Contractor's custody etc. as required. |
| 2.9 | Maintaining proper documentation of all the site activities undertaken by the Contractor as per the proforma mutually agreed with BHEL, Submission of monthly progress reports and any such document as and when desired by BHEL/owner, taking approval of all statutory authorities i.e Boiler Inspector, Factory Inspector, Inspector of Explosives etc , as applicable for respective portions of work fall under the jurisdiction of such statutes of laws. |
| 2.10 | Any other service, although not specifically called for but required for a contract of the size and nature indicated in the specification. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - III : General Technical Requirements (Codes and Standards)

| 3.0 | GENERAL TECHNICAL REQUIREMENTS (CODES AND STANDARDS) |
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| 3.1 | Except where otherwise specified, the plant/equipment shall comply with the appropriate Indian Standard or an agreed internationally accepted Standard Specification as mentioned elsewhere in contract specifications, each incorporating the latest revisions at the time of tendering. Where no internationally accepted standard is applicable, the Bidder shall give all particulars and details as necessary, to enable BHEL to identify all of the plant/equipment in the same detail as would be possible had there been a Standard Specification. |
| 3.2 | Where the Bidder proposes alternative codes or standards he shall include in his tender one copy (in English) of each Standard Specification to which materials offered shall comply. In such case, the adopted alternative standard shall be equivalent or superior to the standards mentioned in the specification. |
| 3.3 | In the event of any conflict between the codes and standards referred above, and the requirements of this specification, the requirements which are more stringent shall govern. |
| 3.4 | Tools used during erection and commissioning shall not be accepted except with the specific approval of the Engineer. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| 4.0 | OBLIGATIONS OF CONTRACTOR |
| 4.1 | CONSUMABLES & OTHER ITEMS |
| 4.1.1 | The contractor shall provide within finally accepted price / rates, all consumables (excepting those indicated in BHEL scope) like welding electrodes (including alloy steel and stainless steel), filler wires, TIG filler wires (over & above as supplied by the unit along with the plant materials, which will be given free of cost to bidder), gases (inert, welding, cutting), soldering material, dye penetrants, radiography films, etc. Other erection consumables such as tapes, jointing compound, grease, mobile oil, M-seal, Araldite, petrol, CTC / other cleaning agents, grinding and cutting wheels are to be provided by the contractor. Steel, packers, shims, wooden planks, scaffolding materials hardware items etc required for temporary works such as supports, scaffoldings are to be arranged by the contractor. Sealing compounds, gaskets, gland packing, wooden/concrete sleepers, for temporary work, required for completion of work except those which are specifically supplied by manufacturing unit are also to be arranged by the contractor. |
| 4.1.2 | All the shims, gaskets and packing, which go finally as part of plant equipment, shall be supplied by BHEL free of cost. |
| 4.1.3 | It shall be the responsibility of the contractor to plan the activities and store sufficient quantity of consumables. Non-availability of any consumable materials or equivalent suggested by BHEL cannot be considered as reason for not attaining the required progress or for additional claim. |
| 4.1.4 | <u>TIG Filler wire for Boiler and Filler wires for Electrodes for P91/T91 piping:</u> These shall be supplied by BHEL free of cost as supplied by BHEL Manufacturing Units as part of regular supply. Required quantity as arrived at by calculation / standards will only be supplied. It would be the contractors' responsibility to account for the consumption of these filler wires. Additional consumption beyond standard / calculated quantity will be at cost recovery basis only unless and otherwise accounted for. Surplus quantity of TIG filler wire, if any, shall be properly stored and returned to BHEL stores. |
| 4.1.5 | It shall be the responsibility of the contractor to obtain prior approval of BHEL, regarding suppliers, type of electrodes etc before procurement of welding electrodes. On receipt of electrodes at site these shall be subjected to inspection and approval by BHEL. The contractor shall inform BHEL details regarding type of electrodes, batch number, date of expiry etc and produce test certificate for each lot / batch with correlation of batch / lot number with respective test certificate. No electrode without a valid test certificate will to be used. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| 4.1.6 | BHEL reserves the right to reject the use of any consumable including electrodes, gases, lubricants / special consumables if it is not found to be of the required standard / make / purity or when shelf life has expired. Contractor shall ensure display of shelf life on consumable wherever required and records maintained. |
| 4.1.7 | Storage of all consumables including welding electrodes shall be done as per requirement / instruction of the Engineer by the contractor at his cost. |
| 4.1.8 | In case of improper arrangement for procurement of any consumable, BHEL reserves the right to procure the same from any source and recover the cost from the Contractor's first subsequent bill at market value plus the departmental charges of BHEL from time to time. Postponement of such recovery is normally not permitted. The decision of Engineer in this regard shall be final and binding on the Contractor. |
| 4.1.9 | All lubricants and chemicals required for pre-commissioning, commissioning, testing, preservation and lubricants for trial runs of the equipment shall be supplied by BHEL / BHEL's client. All services including labour and T&P will be provided by the contractor for handling, filling, emptying, refilling etc. The consumption of lubricants / chemicals shall be properly accounted for. Surplus material if any shall be properly stacked/tagged and returned to BHEL/ CUSTOMER stores at no extra cost to BHEL. BHEL reserves the right to recover costs for wastage by the contractor. |
| 4.1.10 | Transportation of oil drums, from stores, filling of oil for flushing, first filling, subsequent changeover if any, topping/making up till the unit is fully commissioned and handed over to customer is included in scope of this contract. The contractor shall have to return all the empty drums to BHEL / BHEL's client store at no extra cost. Any loss / damage to above drums shall be to contractor's account. |
| 4.1.11 | All charges on account of Octroi, terminal or sales tax and other duties on materials obtained from any source for carrying out the works in the scope of the contractor shall be borne by the contractor. |
| 4.2 | TOOLS AND PLANTS / MONITORING AND MEASURING EQUIPMENT (MMEs) |
| 4.2.1 | T&Ps and MMEs to be provided by Contractor |
| 4.2.1.1 | All T&Ps and MMEs excepting those specifically indicated in BHEL scope are to be provided by the Contractor. Contractor has to make his own arrangement at his cost for completing the formalities (including arrangement of Road permits, if any) if required with Sales Tax/VAT authorities, for bringing their materials, plants and equipments at site for the execution of work under this contract. |

SPECIAL CONDITIONS OF CONTRACT (SCC)

Chapter - IV : Obligations of Contractor

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| 4.2.1.2 | All suitable cranes, lifting and transport equipments for material handling at stores/yard/siding of BHEL/Customer are included in scope. BHEL's cranes will not be available for this purpose unless otherwise specifically permitted as per contract conditions |
| 4.2.1.3 | All T&Ps to be deployed by the contractor shall have the approval of BHEL Engineer with regard to brand, quality and specification. |
| 4.2.1.4 | Indicative list of Major T&Ps in the scope of Contractor are given in the Technical Conditions of Contract. Bidders to note that these are only indicative and as such all other T&P necessary for timely and satisfactory completion of work in scope shall be mobilized by Contractor |
| 4.2.1.5 | Timely deployment of adequate T&Ps is the responsibility of the contractor. The contractor shall be prepared to augment the T&P at short notice to match the planned programme and to achieve the milestones. |
| 4.2.1.6 | Contractor shall maintain and operate his tools and plants in such a way that major breakdowns are avoided. In the event of major breakdown, contractor shall make alternative arrangements expeditiously so that the progress of work is not hampered. |
| 4.2.1.7 | In the event of contractor failing to arrange the required tools, plants, machinery, equipment, material or non-availability of the same owing to breakdown, BHEL will make alternative arrangement at the risk and cost of the contractor. Decision of BHEL shall be final and binding on the contractor |
| 4.2.1.8 | The T&P to be arranged by the contractor shall be in proper working condition and their operation shall not lead to unsafe condition. The movements of cranes, and other equipment should be such that no damage / breakage occurs to foundations, other equipments, material, property and men. All arrangements for the movement of the T&P etc shall be the contractor's responsibility. |
| 4.2.1.9 | Use of welding generators/ rectifiers only shall be permitted for welding. Use of welding transformers will be subject to specific approval of BHEL engineer. |
| 4.2.1.10 | The contractor at his cost shall carry out periodical testing of his construction equipments. Test certificates shall be furnished to BHEL. |
| 4.2.1.11 | Contractor shall ensure deployment of serviced and healthy T&Ps including cranes, lifting tackles, wire ropes, manila ropes, winches and slings etc. History card and maintenance records for major T&Ps will be maintained by the contractor and will be made available to BHEL Engineer for inspection as and when required. Fitness certificate / Test Certificates of T&P shall have to be submitted before it is put in use. Identification for such T&Ps will be done as per BHEL Engineer's advice. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| | BHEL reserves the right to permit only new slings up to 20 mm and lifting tackles up to 3 MT capacities. |
| 4.2.1.12 | Contractor shall ensure deployment of reliable and calibrated MMEs (Inspection measuring and Monitoring equipment). The MMEs shall have test / calibration certificates from authorized / Government approved / accredited agencies traceable to National / International standards. Each MME shall have a label indicating calibration status i.e. date of calibration, calibration agency and due date for calibration. A list of such instruments deployed by contractor at site with its calibration status is to be submitted to BHEL Engineer for control. |
| 4.2.1.13 | Re-testing / re-calibration shall also be arranged at regular intervals during the period of use as advised by BHEL Engineer within the contract price. The contractor will also have alternate arrangements for such MME so that work does not suffer when the particular instrument is sent for calibration. If any MMEs not found fit for use, BHEL shall have the right to stop the use of such item. It will be necessary for the contractor to deploy proper item. Any readings taken by the defective instrument will be recalled and repeat the readings taken by that instrument with a proper one. In case he fails to do so, BHEL may deploy MMEs and retake the readings at contractor's cost. |
| 4.2.1.14 | BHEL shall have lien on all T&P, MMEs and other equipment of the contractor brought to the site for the purpose of erection, testing and commissioning. BHEL shall continue to hold the lien on all such items throughout the period of contract / extended period. The contractor and / or his sub-contractors, without the prior written approval of the Engineer, shall remove no material brought to the site. |
| 4.2.1.15 | The month wise T&P deployment plan to execute the work is to be submitted as per relevant format as per the instruction of BHEL. It shall be the contractor's responsibility to deploy the required T&P, for timely and successful completion of the job, to any extent. |
| 4.2.2 | Obligations in respect of T&Ps and MMEs provided by BHEL |
| 4.2.2.1 | T&P / MMEs being provided by BHEL to sub-contractor free of hire charges shall be shared by other subcontractors working for BHEL at site and the allotment done by BHEL Engineer shall be final and binding. |
| 4.2.2.2 | BHEL T&P will be issued in basic assembled condition. Additional loose components / sub-assemblies / attachments as and when necessary, will be issued by BHEL. Assembly of such additional loose components/sub-assemblies/ attachments is in contractor's scope. |
| 4.2.2.3 | In case of non-availability of the T&Ps to be provided by BHEL due to breakdown, major overhauls, distribution pattern or any other reason, the contractor shall plan / |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| | amend / alter his activities to meet erection / commissioning targets in consultation with BHEL. |
| 4.2.2.4 | void |
| 4.2.2.5 | The contractor shall engage trained and experienced operators for the operation of BHEL's T&Ps. Their skill / performance will be checked by BHEL Engineer before they are allowed to operate the same. However checking of skills by BHEL does not absolve the contractor of his responsibilities for proper and safe handling of equipment, consistent good performance of operators and regular performance evaluation of operators. |
| 4.2.2.6 | <p>The day to day operation and maintenance of BHEL's T&Ps (Other than cranes) shall be carried out by contractor as per manufacturer's / BHEL's maintenance schedule at his cost. The contractor shall arrange, at his own cost, trained operators, fuel and other consumables for their operation. BHEL shall arrange all spares needed for upkeep of major T&Ps provided like Huck Bolting Machine*, DG Set, Induction Machine and Hydraulic Test pumps. The contractor has to arrange for fixing of the spares; supervision in specialized cases will be provided by BHEL. For upkeep of all other T&Ps supplied by BHEL, spares shall be arranged by the Contractor. BHEL supplied T&Ps shall be maintained in good working condition during the entire period of use. T&Ps in defective / damaged condition shall be rectified promptly to the full satisfaction of BHEL engineer. Contractor shall maintain records for maintenance of major T&Ps. These shall be made available for Inspection whenever required. In case of any lapses on the part of the contractor, BHEL at its own discretion shall get the servicing / repair of equipment done at the risk and cost of the contractor along with BHEL overheads. Further, if there are breakdowns / damages due to negligence of the contractor, the complete service / repair charges and cost of all the spares damaged with BHEL overheads shall be recovered from contractor's RA bills.</p> <p>*: for operation and maintenance of ESP Huck bolting machine, BHEL shall provide the basic power rig and hose. Balance toolings ie Guns, chuck jaws etc are to be arranged by contractor.</p> |
| 4.2.2.7 | void |
| 4.2.2.8 | Increasing / shortening of the crane boom to suit work requirements shall have to be arranged by the indenting contractor at his cost including restoration to a state as directed by BHEL. All necessary manpower tools, support, consumables, illumination etc. will have to be arranged by contractor at his cost. If required, |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| | contractor has to return the crane with original boom. |
| 4.2.2.9 | The area and infrastructure development of the area to be carried out by the customer. However in construction projects of this magnitude it is possible that all the areas / approaches may not be ready. In such cases backfilling of approaches where ever necessary, consolidation of ground and arrangement of sleepers / sand bag filling etc for safe operation / movement of equipment including cranes / trailers etc shall be the responsibility of the contractor at his cost. No compensation on this account shall be payable. |
| 4.2.2.10 | In the event of contractor not using and maintaining BHEL T&Ps according to BHEL's instructions. BHEL will have the right to withdraw such item without any notice and no claim in this regard shall be entertained and contractor shall be responsible for delay in execution on this account. |
| 4.2.2.11 | The contractor shall furnish regular utilization report of the BHEL T&Ps, as per requirement of BHEL. |
| 4.2.2.12 | Any loss / damage to any part of BHEL T&Ps and MMEs shall be to the contractor's account and any expenditure on these accounts by BHEL will be recovered from the contractor's bill in case the contractor fails to make good the loss. |
| 4.2.2.13 | It shall be responsibility of the contractor to take delivery of T&Ps and MMEs from stores or place of use by other contractor at project site, transport the same to site and return the same to BHEL store / place as intimated by Engineer in project site in good working conditions after use. |
| 4.2.2.14 | The contractor shall return BHEL T&Ps and MMEs issued to him in good working condition as and when desired by BHEL (on completion or reduction of workload). If contractor delays return of T&P and MME, hire charges as applicable shall be levied by BHEL from time, it was requisitioned till the time of actual return. T&Ps and MMEs returned in damaged / unserviceable condition shall be got repaired by BHEL at its own discretion and entire cost of repair with BHEL overheads shall be recovered from the contractor. |
| 4.2.2.15 | Replacement cost including BHEL overheads in respect of irreparable / completely damaged / non return of T&Ps and MMEs shall be recovered from the contractor's running / final bills |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| 4.2.2.16 | Obligations in respect of Cranes provided by BHEL |
| a) | BHEL will make available the cranes (as per Technical Conditions of Contract) free of charge to the contractor on sharing basis mainly for the purposes enumerated/ indicated therein. BHEL cranes have to be shared with other agencies / contractors of BHEL. The allocation of cranes shall be the discretion of BHEL engineer, which shall be binding on the contractor. |
| b) | BHEL Cranes may be initially issued in basic assembled condition. Any alteration/addition like boom reduction / extension, assembly of components/sub-assemblies needed for modulating the capacity/reach/other features of cranes and restoration to the state as directed by BHEL shall be the contractor's responsibility. |
| c) | <p>In case the BHEL cranes are not covered under AMC of BHEL, then the day-to-day upkeep and running maintenance like filling / topping up of lubricants, changing filters, etc including repair of self starter and dynamo of these cranes shall be the responsibility of the contractor. If on checking it is found that the same is not followed, BHEL will exercise its right to get the job/works done at the risk and cost of contractor.</p> <p>In case BHEL cranes are covered under AMC awarded by BHEL, then the day-to-day upkeep and running maintenance as described above are excluded from scope. However any additional helpers if any required during Preventive/Breakdown Maintenance, Assembly/disassembly shall be provided by contractor at no extra cost.</p> <p>BHEL may also provide cranes through crane hiring agencies in which case the day-to-day upkeep and running maintenance shall be excluded from scope of contractor.</p> |
| d) | Minor consumables like cotton cloth, cotton waste, etc is to be supplied by Contractor. All spares and lubricants/grease is excluded from scope. Contractor to give the requirements of these items well in advance in case the cranes provided by BHEL are BHEL owned cranes. |
| e) | Unless otherwise specified, trained operators for BHEL owned cranes shall be provided by the contractor. These operators should possess valid license for heavy vehicle. |
| f) | BHEL cranes will be withdrawn for regular and capital maintenance as per the respective schedule of maintenance. As far as possible such schedules will be intimated to the contractor in advance and may be adjusted depending on the work requirements at site. However no claim whatsoever will be entertained on account |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter - IV : Obligations of Contractor

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| | of non-availability of cranes. |
| g) | Where the services of the cranes provided by BHEL are to be shared by other agencies/ contractors of BHEL, the contractor's responsibilities defined above will also be apportioned accordingly to the beneficiary agency. Working arrangements in this regard will be done at site by BHEL engineer and in any case his decision shall be final and binding. |
| h) | Major breakdowns will be attended to by BHEL. However, in case of breakdowns or damages due to negligence of the contractor, the complete service/repair charges including cost of spares shall be to the account of the contractor, along with BHEL overheads. |
| 4.2.2.17 | Obligations in respect of Construction Lift/Elevators provided by BHEL |
| a) | The total erection including commissioning, maintenance, statutory clearances shall be included in scope of work. Supervision by the original equipment supplier or their authorized agency shall be arranged for by BHEL, in case found necessary. |
| b) | All day to day and routine maintenance and checking is to be carried out by the contractor as per the recommendations of the supplier. He should periodically check the brakes and carry out the all works to ensure the safety of all those using the lift/elevator. BHEL shall arrange spares required for upkeep of Construction lift/elevator |
| c) | The construction lift/elevator should never be overloaded as this can lead to serious accidents. Ensuring all safety aspects in operation of the lift shall be the responsibility of the contractor. Erection of all the required number of landing platforms is included in scope. Landing platforms are to be provided with proper barricades and hand railings. |
| d) | After completion of contractual scope of work or as per BHEL advice, the temporary elevator/lift shall be dismantled and handed over to BHEL neatly identified/tagged. Temporary structures/platforms etc erected for the elevators/lifts are also to be dismantled and materials to be returned to stores as applicable. The construction and dismantling of the foundations required for the construction/elevator lifts is included in the scope of the contractor. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
**Chapter – V : Responsibilities of Contractor in respect of Labour,
Supervisory Staff, etc.**

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| 5.0 | RESPONSIBILITIES OF CONTRACTOR IN RESPECT OF LABOUR, SUPERVISORY STAFF, ETC. |
| 5.1 | Refer relevant clauses of General Conditions of Contract (GCC) also in this regard |
| 5.2 | The contractor shall deploy all the necessary skilled/semiskilled/ unskilled labour including highly skilled workmen etc. These workmen should have previous experience on similar job. They shall hold valid certificates wherever necessary. BHEL reserves the right to insist on removal of any employee of the contractor at any time if he is found to be unsuitable and the contractor shall forthwith remove him. |
| 5.3 | Contractor shall also comply with the requirements of local authorities/ project authorities calling for police verification of antecedents of the workmen, staff etc. |
| 5.4 | It is the responsibility of the contractor to engage his workmen in shifts and or on overtime basis for achieving the targets set by BHEL. This target may be set to suit BHEL's commitments to its customer or to advance date of completion of events or due to other reasons. The decision of BHEL in regard to setting the erection and commissioning targets will be final and binding on the contractor. |
| 5.5 | Contractor shall provide at different elevation suitable arrangement for urinal and drinking water facility with necessary plumbing & disposal arrangement including construction of septic tank. These installations shall be maintained in hygienic condition at all times. |
| 5.6 | The Contractor in the event of engaging 20 or more workmen, shall obtain Independent license under the Contract labour (Regulation and Abolition) Act 1970 from the concerned authorities based on Form-V issued by the Principal Employer/Customer. In order to issue Form-V by Customer, Contractor shall fulfill all Statutory requirements like Insurance Policy, PF Code/PF Account number etc as per the requirement of BHEL/Customer |
| 5.7 | Contractor shall deduct the necessary amount towards Provident Fund and contribute equal amount as per Government of India laws. This amount will be deposited regularly to the provident Fund Commissioner. BHEL/Customer may insist for submission of the account code duly certified by PF Commissioner |
| 5.8 | Contractor may also be required to comply with provisions of ESI Act in vogue if applicable and submit evidence to BHEL. |
| 5.9 | BHEL / customer may insist for witnessing the regular payment to the labour. They may also like to verify the relevant records for compliance with statutory requirements. Contractor shall enable such facilities to BHEL / Customer. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – V : Responsibilities of Contractor in respect of Labour, Supervisory Staff, etc.

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| 5.10 | Contractor shall deploy only qualified and experienced engineers/ supervisors. They shall have professional approach in executing the work. |
| 5.11 | The contractor's supervisory staff shall execute the work in the most professional manner in the stipulated time. Accuracy of work and aesthetic finish are essential part of this contract. They shall be responsible to ensure that the assembly and workmanship conform to dimensions and tolerances given in the drawings/instructions given by BHEL engineer from time to time. |
| 5.12 | The supervisory staff employed by the contractor shall ensure proper outturn of work and discipline on the part of the labour put on the job by the contractor. Also in general they should see that the works are carried out in a safe and proper manner and in coordination with other labour and staff employed directly by BHEL or other contractors of BHEL or BHEL's client. |
| 5.13 | It is the responsibility of the contractor to arrange gate pass for all his employees, T&P etc for entering the project premises. Necessary coordination with customer officials is the responsibility of the contractor. Contractor to follow all the procedures laid down by the customer for making gate passes. Where permitted, by customer / BHEL, to work beyond normal working hours, the contractor shall arrange necessary work permits for working beyond normal working hours. |
| 5.14 | The actual deployment will of Labour and Engineer/supervision staff shall be so as to satisfy the erection and commissioning targets set by BHEL. If at any time, it is found that the contractor is not in a position to deploy the required engineers/supervisors/workmen due to any reason, BHEL shall have the option to make alternate arrangements at the contractor's risk and cost. The expenditure incurred along with BHEL overheads thereon shall be recovered from the contractor |
| 5.15 | Contractor shall not deploy women labour at night. |

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SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VI: Material Handling, Storage & preservation

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| 6.0 | MATERIAL HANDLING, STORAGE AND PRESERVATION ETC |
| 6.1 | MATERIAL HANDLING AND STORAGE |
| 6.1.1 | All the equipments/materials furnished under this contract shall be received from the project stores, sheds / storage yards and transported to pre assembly area / erection site and stored in the storage spaces in a manner so that they are easily retrievable till the contractor erects them. While drawing/lifting material from BHEL / customer stores, the contractor shall ensure that the balance / other materials are stacked back immediately. No claim is admissible on this account |
| 6.1.2 | While BHEL will endeavor to store / stack / identify materials properly in their open / close / semi closed / tarpaulins covered storage yard / shed, it shall be contractor's responsibility to assist BHEL in identifying materials well in time for erection. They should take the delivery of the same, following the procedure indicated by BHEL, and transport the material safely to pre-assembly yard / erection site in time, according to program. |
| 6.1.3 | The contractor shall take delivery of components, equipment / consumables from storage area after getting the approval of BHEL Engineer on standard indent forms. |
| 6.1.4 | The contractor shall identify and deploy necessary Engineers / supervisors / workmen for the above work in sufficient number as may be needed by BHEL, for areas covering their scope. |
| 6.1.5 | All the equipment shall be handled very carefully to prevent any damage or loss. No untested wire ropes / slings etc. shall be used for unloading / handling. The equipment shall be properly protected to prevent damage either to the equipment or to the floor where they are stored. The equipment from the stores shall be moved to the actual location at the appropriate time so as to avoid damage of such equipment at site. |
| 6.1.6 | Contractor shall ensure that while lifting slings shall be put over the points indicated on the equipment or as indicated in the manufacturer's drawings. Slings / shackles of proper size shall be used for all lifting and rigging purposes. All care shall be taken to safe guard the equipment against any damage. Dragging of piping / valves should be avoided. In case of any damage the cost shall be covered from the contractor. |
| 6.1.7 | Approach road conditions from the stores / yards to the erection site may not be equipped and ideal for smooth transportation of the equipment. Contractor |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VI: Material Handling, Storage & preservation

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| | may have to be adequately prepared to transport the materials under the above circumstances without any extra cost. . The contractor may familiar himself with soil conditions at site. |
| 6.1.8 | Contractor shall be responsible for examining all the plant and materials issued to him and notify the Engineer immediately of any damage, shortage, discrepancy etc before they are moved out of the stores / storage area. The contractor shall be solely responsible for any shortages or damages in transit, handling, storage and erection of the equipment once received by him. As the erection work will be spread in different areas / locations of the project, contractor has to arrange sufficient number of watch / ward personal to avoid any pilferage of material |
| 6.1.9 | The contractor shall maintain an accurate and exhaustive record-detailing out the list of all equipment received by him for the purpose of erection and keep such record open for the inspection of the engineer at any time. |
| 6.1.10 | All the material in the custody of contractor and stored in the open or dusty locations must be covered with suitable weather proof / fire retardant covering material wherever applicable and shall be blocked up on raised level above ground. All covering materials including blocks and sleeper shall be arranged by the contractor at his cost. |
| 6.1.11 | If the material belonging to the contractor are stored in area other than those earmarked for his operation the engineer will have the right to get it moved to the area earmarked for the contractor at the contractors risk and cost. |
| 6.1.12 | The contractor shall be responsible for making suitable indoor storage facilities to store all equipment (drawn by the contractor from BHEL / customer stores), which require indoor storage till the time of their installation. The Engineer will direct the contractor in this regard, which item in his opinion will require indoor storage, and the contractor shall comply with Engineer's decision. |
| 6.1.13 | The contractor shall ensure that all surplus / damaged / scrap / unused material, packing wood / containers/ special transporting frames etc are returned to BHEL at a place in project area identified by the Engineer. The contractor will maintain an account for all items received and returned to BHEL. Any shortage in returning such items shall be chargeable to the contractor except allowable wastage for packing wood only. |
| 6.1.14 | The contractor shall hand over all parts / materials remaining extra over the normal requirement with proper identification tags to the stores as directed by the concerned BHEL engineer. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VI: Material Handling, Storage & preservation

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| 6.1.15 | The contractor shall ensure that all the packing materials and protective devices installed on equipment during transit and storage are removed before installation. |
| 6.1.16 | It shall be the responsibility of the contractor to keep the work / storage areas in neat, tidy and working conditions. All surplus/unusable packing and other materials shall be removed and deposited at location(s) specified by BHEL within the project premises. If required weighing of the same within the project premises will have to be carried out. |
| 6.2 | PRESERVATION OF COMPONENTS |
| 6.2.1 | After taking delivery from BHEL / customer's stores, plant materials storage shall be subjected to the following protection besides other provisions indicated in these specifications elsewhere. |
| 6.2.1.1 | Items stored outdoors shall be stacked up at least six inches (6") off the ground. Items should not be stored in a low lying area where water logging is a possibility. Contractor should have sufficient numbers of wooden / concrete / steel sleepers for the job. |
| 6.2.1.2 | Motors, valves, electrical equipment, control equipment and instruments, and special or precision items requiring special care, etc shall be stored indoors. Motor windings shall be kept dry by use of external heat or space heaters. |
| 6.2.1.3 | Bearings and other wearing surfaces of plant materials shall be protected against corrosion and kept clean and should be regularly monitored. |
| 6.2.1.4 | Insulation materials shall be stored indoors or otherwise protected against getting wet/ damaged, using suitable measures and should be protected from direct rain. |
| 6.2.2 | It shall be the responsibility of the contractor to apply preservatives / touch up paints (primer) on equipment handled and erected by him till such time of final painting. It shall be contractor's responsibility to arrange for required paints (primer), thinners, labour, scaffolding materials, cleaning materials like wire brush, emery sheets, etc, cleaning of surface and provide one coat of preservatives / paints (primer) from time to time as decided by BHEL engineer. The accepted rate shall include this work also. It is to be noted that such painting may have to be done as and when required till such time the final painting is carried out. |
| 6.2.3 | The contractor shall effectively protect the finished work from action of weather and from damage or defacement and shall cover the finished parts then and there for their protection. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VI: Material Handling, Storage & preservation

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| 6.2.4 | Any failure on the part of contractor to carry out works according to above clauses will entail BHEL to carry out the job from any other party and recover the cost from contractor. |
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SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VII: Drawings and documents

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| 7.0 | DRAWINGS AND DOCUMENTS |
| 7.1 | The detailed drawings, specifications available with BHEL engineers will be made available to the contractor during execution of work at site. The contractor will also ensure availability of all drawings / documents at work place. |
| 7.2 | Necessary drawings to carry out the erection work will be furnished to the contractor by BHEL on loan, which shall be returned to BHEL Engineer at site after completion of work. Contractor shall ensure safe storage and quick retrieval of these documents. |
| 7.3 | The contractor shall maintain a record of all drawings and documents available with him in a register as per format given by BHEL Engineer. Contractor shall ensure use of pertinent drawings / data / documents and removal of obsolete ones from work place and returning to BHEL. |
| 7.4 | The data furnished in various annexure enclosed with this tender specification are only approximate and for guidance. However, the change in the design and in the quantity may occur as is usual in any such large scale of work. The contractors quoted rates shall be inclusive of the above factor |
| 7.5 | Should any error or ambiguity be discovered in the specification or information the contractor shall forthwith bring the same to the notice of BHEL before commencement of work. BHEL's interpretation in such cases shall be final and binding on the contractor. |
| 7.6 | Deviation from design dimensions should not exceed permissible limit. The contractor shall not correct or alter any dimension / details, without specific approval of BHEL. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VIII: Inspection and Quality

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| 8.0 | INSPECTION AND QUALITY |
| 8.1 | Inspection, Quality Assurance, Quality Control |
| 8.1.1 | Preparation of quality assurance log sheets and protocols with customer/ consultants/statutory authority, welding logs, NDE records, testing & calibration records and other quality control and quality assurance documentation as per BHEL engineer's instructions, is within the scope of work/specification. These records shall be submitted to BHEL/customer for approval from time to time. |
| 8.1.2 | The protocols between contractor and customer/ BHEL shall be made prior to installation for correctness of foundations, materials, procedures, at each stage of installation, generally as per the requirement of customer/ BHEL. This is necessary to ensure elimination of errors or keeping them within tolerable limits and to avoid accumulation and multiplication of errors. |
| 8.1.3 | <p>A daily log book should be maintained by every supervisor/engineer of contractor on the job in duplicate (one for BHEL and one for contractor) for detailing and incorporating alignment/clearance / centering / leveling readings and inspection details of various equipments etc.</p> <p>High pressure welding details like serial number of weld joints, welders name, date of welding, details of repair, heat treatment etc. will be documented in welding log as per BHEL Engineer's instructions.</p> <p>Record of radiography containing details like serial number of weld joints, date of radiography, repairs, if any, re-shots etc shall also be maintained as per BHEL Engineer's instructions.</p> <p>Record of heat treatments performed shall be maintained as prescribed by BHEL</p> |
| 8.1.4 | The performance of welders will be reviewed from time to time as per the BHEL standards. Welders' performance record shall be furnished periodically furnished for scrutiny of BHEL's Engineer. Corrective action as informed by BHEL shall be taken in respect of those welders not conforming to these standards. This may include removal/ discontinuance of concerned welder(s). Contractor shall arrange for the alternate welders immediately |
| 8.1.5 | All the welders shall carry identity cards as per the proforma prescribed by BHEL/Customer/Consultant. Only welders duly authorized by BHEL/customer/consultant shall be engaged on the work. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VIII: Inspection and Quality

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| 8.1.6 | Contractor shall provide all the Measuring Monitoring Equipments (MMEs) required for completion of the work satisfactorily. These MMEs shall be of brand, quality and accuracy specified by BHEL Engineer and should have necessary calibration and other certificates as per the requirement of BHEL Engineer. Decision of BHEL Engineer regarding acceptance or otherwise of the measuring instruments/gauges/tools for the work under this specification, is final and binding on the contractor. BHEL may give an indicative list of MMEs required for this work and to be made available by the contractor. The list will be reviewed by BHEL and the contractor shall meet any augmentation needed wherever required. |
| 8.1.7 | It is the responsibility of the contractor to prove the accuracy of the testing/measuring/calibrating equipments brought by him based on the periodicity of calibration as called for in the BHEL's quality assurance standards/BHEL Engineer's instructions. |
| 8.1.8 | Any re-laying or re-termination of cables/re-erection of instruments/recalibration of instruments etc. required due to contractor's mistake or design requirement and found at any stage inspection, shall be carried out by the contractor at no extra cost. |
| 8.1.9 | BHEL, Power Sector Regions (PSNR/PSER/PSWR/PSSR) have already been accredited with ISO 9001 certification and as such this work is subject to various audits to meet ISO 9001 requirements. One particular aspect which needs special mention is about arrangement of calibration of instruments by the contractor. Contractor shall ensure deployment of reliable and calibrated MMEs (Measuring and Monitoring Equipments). The MMEs shall have test / calibration certificates from authorised / Government approved / Accredited agencies traceable to National / International Standards. Re-testing / recalibration shall also be arranged at regular intervals during the period of use as advised by BHEL Engineer within the contract price. The contractor will also have alternate arrangements for such MMEs so that work does not suffer when the particular equipment / instrument is sent for calibration. Also if any MMEs not found fit for use, BHEL shall have the right to stop the use of such item and instruct the contractor to deploy proper item and recall ie repeat the readings taken by that instrument, failing which BHEL may deploy MME and retake the readings at Contractor's cost. |
| 8.1.10 | Re-work necessitated on account of use of invalid MMEs shall be entirely to the contractor's account. He shall be responsible to take all corrective actions, |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VIII: Inspection and Quality

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| | including resource augmentation if any, as specified by BHEL to make-up for the loss of time. |
| 8.1.11 | In the courses of erection, it may become necessary to carry repeated checks of the work with instruments recently calibrated, re-calibrated. BHEL may counter/ finally check the measurements with their own MMEs. Contractor shall render all assistance in conduct of such counter/final measurements. |
| 8.1.12 | Total Quality is the watchword of the work and Contractor shall strive to achieve the Quality Standards, procedures laid down by BHEL. He shall follow all the instructions as per BHEL drawings and Quality Standards. |
| 8.2 | Stage Inspection By FES/QA Engineers |
| 8.2.1 | Apart from day-to-day inspection by BHEL Engineers stationed at Site and Customer's Engineers, stage inspection of equipments under erection and commissioning at various stages shall also be conducted by teams of Engineers from Field Engineering Services of BHEL's Manufacturing Units, Quality Assurance teams from Field Quality Assurance, Unit/Factory Quality Assurance and Commissioning Engineers from Technical Services etc. Contractor shall arrange all labour, tools and tackles etc along with proper access for such stage inspections free of cost. |
| 8.2.2 | Any modifications suggested by BHEL FES and QA Engineers' team shall be carried out. Claims of contractor, if any, shall be dealt as per Section 13, and provided such modifications have not arisen for reasons attributable to the contractor. |
| 8.3 | Statutory Inspection of Work |
| 8.3.1 | <p>The work to be executed under these specifications has to be offered for inspection, at appropriate stages of work completion, to various statutory authorities for compliance with applicable regulations.</p> <p>The work related statutory inspections, though not limited to, are as under:</p> <ol style="list-style-type: none"> 1) Inspectorate of Steam Boilers and Smoke Nuisance 2) Electrical Inspector 3) Factory Inspector, Labour Commissioner, PF Commissioner and other authority connected to this project work <p>The scope includes getting the approvals from the statutory authorities, which includes arranging for inspection visits of statutory authority periodically as per</p> |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VIII: Inspection and Quality

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| | BHEL Engineer's instructions, arranging materials for ground inspection, taking rub outs for the pressure parts to be offered for inspection, submitting co-related inspection reports, documents, radiographs etc and following up the matter with them. Contractor shall also make all arrangements for offering the Products / Systems for inspection at location, as applicable, to the concerned authority. |
| 8.3.2 | Contractor should be qualified to execute pressure parts & piping work coming under the purview of IBR, for which he should register himself with CIB of state concerned. contractor also should be aware of the latest IBR regulations and Electricity Act, including the amendments thereof. |
| 8.3.3 | Contractor shall comply with 'Qualification Tests for welders engaged in welding of Boilers and Steam Pipes under Construction, Erection and Fabrication at Site in India and in repairing Boilers and steam pipes by welding' in line with Chapter XIII of Indian Boiler Regulations-1950, for testing his welders / men / workers, including all associated fees, procedures, required instruments and equipments and their calibration there of. It shall be contractor's responsibility to obtain approval of Statutory Authorities, wherever applicable, for the conducting of any work which comes under the purview of these authorities, at his cost. |
| 8.3.4 | The following fees shall be excluded from scope of Contractor: <ol style="list-style-type: none"> 1. Registration Fee as per Regulation 385 of Chapter IX of Indian Boiler Regulations-1950 2. Fees for inspection of Boiler at the site of Construction as per Regulation 395 A, sl no 4 of Chapter IX of Indian Boiler Regulations-1950 <p>However all other fees like visit fees charged by the Boiler Inspector and other arrangements for his visit or visits till satisfactory completion of work, shall be included in scope of Contractor</p> |
| 8.4 | The Quality Management System of BHEL, Power Sector Regions (PSNR/PSER/PSWR/PSSR) have already been certified and accredited under ISO 9002 standards in this regard. The basic philosophy of the Quality Management System is to define the organizational responsibility, work as per documented procedures, verify the output with respect to acceptance norms, identify the non-conforming product/ procedure and take corrective action for removal of non-conformance specifying the steps for avoiding recurrence of |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter – VIII: Inspection and Quality

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| | such non-conformities, & maintain the relevant quality records. The non conformities are to be identified through the conduct of periodical audit of implementation of quality systems at various locations/stages of work. Suppliers/vendors of various products/services contributing in the work are also considered as part of the quality management system. .as such the contractor is expected not only to conform to the quality management system of BHEL but also it is desirable that they themselves are accredited under any quality management system standard. |
| 8.5 | Field Quality Assurance |
| 8.5.1 | Contractor shall carry out all activities conforming to the approved Field Quality Plan (FQP) as revised from time to time. Total quality shall be the watchword of the work and contractor shall strive to achieve the quality standards, procedures laid down by BHEL. He shall follow all the instructions as per BHEL drawings and quality standards. Contractor shall provide the services of quality assurance engineer as per the relevant clauses. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.0 | <p>OCCUPATIONAL HEALTH, SAFETY & ENVIRONMENT MANAGEMENT/ QUALITY ASSURANCE PROGRAMME : BHEL, Power Sector Regions (PSNR/ER/WR/SR) are each certified for ISO 9001. Quality of work to customer's satisfaction and fulfillment of system requirements are the essence of ISO 9001 certification. BHEL, PS Regions have HSE certification (ISO 14001 & OHSAS 18001) and therefore Contractor also shall organise/ plan/ perform all their activities to meet with the applicable requirements of these standards.</p> |
| 9.1 | <p>HSE (Health, safety & Environment): Contractor will comply with HSE (Health, safety & Environment) requirements of BHEL. HSE requirements in brief, are given below :-</p> |
| 9.1.1 | <p>Contractor will nominate one of their qualified and experienced employees as Safety Officer, who will be responsible for all HSE related issues of contractors work area. Safety Officer will have authority to stop any activity, in case he observes that the activity is not being carried out in safe manner. He will conduct surprise inspection as well as periodic inspection/drill (at least once in a month) and submit such reports to BHEL. He will conduct periodic meetings with supervisors of different working groups and explain HSE issues and use of PPEs to them. Reports of such meetings will be submitted to BHEL. Contractor will develop suitable work procedures based upon HSE guidelines and OCPs and implement it. Such work procedures will consist of Area of work, T&P Details, Work Procedure, PPE requirements etc. Please refer Schedule VIII of BOCW Rules for number of safety officers, qualification, duties etc.</p> <p>Contractor should highlight the requirement of safety to staff and labour through daily tool box meeting before start of the days job.</p> <p>Contractor to also submit monthly safety reports as per the format/procedure of BHEL.</p> |
| 9.1.2 | <p>The contractor shall arrange induction and regular health check of their employees as per schedule VII of BOCW rules by a registered medical practitioner. The contractor shall take special care of the employees affected with occupational diseases under rule 230 and schedule II of BOCW Rules. The employees not meeting the fitness requirement should not be engaged for such job</p> |
| 9.1.3 | <p>Following personnel protective equipments (PPEs), in adequate numbers, will be made available at site & their regular use by all concerned will be ensured :-</p> |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | - HELMET |
| | - SAFETY GOGGLES & WELDING FACE SHIELDS |
| | - SAFETY BELTS AND PROTECTIVE NET FOR WORKING AT HEIGHT |
| | - SAFETY SHOES |
| | - EAR PLUG |
| | - ANY OTHER SAFETY EQUIPMENT REQUIRED FOR SAFE COMPLETION OF THE WORK |
| | Contractor to also submit monthly reports on above as per the format/procedure of BHEL. |
| 9.1.4 | Providing appropriate First Aid facilities for prompt treatment of injuries and illness at work place. Arranging training to contractor workmen/ employees for giving first aid. |
| 9.1.5 | Arranging ambulance in case of any emergency situation . |
| 9.1.6 | Identification of nearest hospital and health check-up of workmen/employees |
| 9.1.7 | Providing filtered drinking water at work place in cool container. |
| 9.1.8 | Providing Canteen, Rest Room, Washing facilities to the contracted employees as per provisions of Contract Labour Regulation Act 1970 (Chapter V). |
| 9.1.9 | Providing appropriate fire fighting equipment at designated work place and nominate a fire officer/warden adequately trained for his job. |
| 9.1.10 | Identification of nearest fire station and display contact telephone nos. / person's name around work places for cases of emergencies . |
| 9.1.11 | Providing adequate no. of 24 V sources and ensure that no hand lamps are operating at voltage level above 24 Volts. |
| 9.1.12 | Fulfilling safety requirements at all power tapping points. |
| 9.1.13 | Red & White caution tape of proper width(1.5 to 2 inch) to be used for cordoning unsafe area such as open trench, excavation area etc. |
| 9.1.14 | Providing contractors company logo on cloths /uniform/ proper identity cards with photographs, for correct identification of people working at project site . |
| 9.1.15 | High/ Low pressure welders to be identified with separate colour clothings. No welders will be deployed without passing appropriate tests and holding valid welding certificates. Approved welding procedure should be displayed at work place. |
| 9.1.16 | Displaying safe handling procedures for all chemicals such as lube oil, acid, alkali, sealing compounds etc , at work place . |
| 9.1.17 | All scaffolding/ platforms should be made from materials of appropriate quality/grade so that these are safe for use. It should be certified/declared safe |

SPECIAL CONDITIONS OF CONTRACT (SCC)

Chapter-IX:HSE & OHSAS

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| | for use by an experienced contractor person, before any scaffolding/platform is used. Please refer IS:3696 part 1&2 and 4014 part 1 & 2 |
| 9.1.18 | All T&Ps/ MMEs should be of reputed brand/appropriate quality & must have valid test/calibration certificates bearing endorsement from competent authority of BHEL.. Contractor to also submit monthly reports of T&Ps deployed and validity test certificates to BHEL safety Officer as per the format/procedure of BHEL. |
| 9.1.19 | Ensure that the regulatory requirement of excessive weight limit (to carry/lift/ move weights beyond prescribed limits) for male and female workers are complied with. |
| 9.1.20 | Safety slogan, Safety/ Caution boards , wherever required to be displayed in consultation with BHEL. |
| 9.1.21 | Take suitable measures for waste management and environment related laws/legislation as a part of normal construction activities. Compliance with the legal requirements on storage/ disposal of paint drums (including the empty ones), Lubricant containers, Chemical Containers, and transportation and storage of hazardous chemicals will be strictly maintained. Ensure proper cleanliness of work place, housekeeping and waste management (including proper waste disposal) on daily basis. |
| 9.1.22 | It is imperative on the part of the contractor to join and effectively contribute in joint measures such as tree plantation, environment protection, contributing towards social upliftment, conversion of packing woods to school furniture, keeping good relation with local populace etc. |
| 9.1.23 | The contractor shall carry out periodic air and water quality check and illumination level checking in his area of work place and take suitable control measure. |
| 9.1.24 | The Contractor is required to provide proper safety net systems (IS-11057) where ever the hazard of fall from height is present as per instruction of BHEL Engineer. The safety nets shall be fire resistant, duly tested and shall be of ISI Mark and the nets shall be located as per site requirements to arrest or to reduce the consequences of a possible fall of persons working at different heights. |
| 9.1.25 | All applicable OCPs (Operational control procedures) will be followed by contractor as per BHEL instructions. This will be done as part of normal scope of work. List of such OCPs is given below . In case any other OCP is found to be applicable during the execution of work at site, then contractor will follow this as well, within quoted rate. These OCPs (applicable ones) will be made available to contractor during work execution at site. However for reference |

SPECIAL CONDITIONS OF CONTRACT (SCC)

Chapter-IX:HSE & OHSAS

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| | purpose, these are kept with Safety Officer of BHEL at the Power Sector Regional HQ, or available in downloadable format in the website, which may be refereed by contractor, if they so desire. |
| ■ | OCP for safe handling of chemicals |
| ■ | OCP for Electrical safety |
| ■ | OCP for energy conservation |
| ■ | OCP for safe welding and gas cutting operation |
| ■ | OCP for fire safety |
| ■ | OCP for safety in use of hand tools |
| ■ | OCP for first aid |
| ■ | OCP for food safety at canteen |
| ■ | OCP for safety in use of cranes |
| ■ | OCP for storage and handing of gas cylinders |
| ■ | OCP for manual arc welding |
| ■ | OCP for safe use of helmets |
| ■ | OCP for good house keeping |
| ■ | OCP for working at height |
| ■ | OCP for safe excavation |
| ■ | OCP for safe filling of Hydrogen in cylinder |
| ■ | OCP for illumination |
| ■ | OCP for handling and erection of heavy metals |
| ■ | OCP for safe acid cleaning |
| ■ | OCP for safe alkali boil out |
| ■ | OCP for safe oil flushing |
| ■ | OCP for steam blowing |
| ■ | OCP for safe working in confined area |
| ■ | OCP for safe operation of passenger lift, material hoists & cages |
| ■ | OCP for Vehicle maintenance |
| ■ | OCP for safe radiography |
| ■ | OCP for waste disposal |
| ■ | OCP for working at night |
| ■ | OCP for blasting |
| ■ | OCP for DG Set |
| ■ | OCP for handling & storage of mineral wool |
| ■ | OCP for drilling, reaming and grinding(machining) etc. |
| ■ | OCP for hydraulic test |
| ■ | OCP for spray insulation |

SPECIAL CONDITIONS OF CONTRACT (SCC)

Chapter-IX:HSE & OHSAS

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| | <ul style="list-style-type: none"> ■ OCP for trial run of rotary equipment ■ OCP for stress relieving ■ OCP for material preservation ■ OCP for cable laying/tray work ■ OCP for electrical maintenance ■ OCP for transformer charging ■ OCP for safe handling of battery system ■ OCP for computer operation ■ OCP for storage in open yard ■ OCP for sanitary maintenance ■ OCP for batching ■ OCP for piling rig operation ■ OCP for gas distribution test ■ OCP for cleaning of hotwell / deaerator ■ OCP for electro-resistance heating ■ OCP for compressor operation ■ OCP for O&M of control of AC plant & system ■ OCP for air compressor ■ OCP for passivation ■ OCP for Safe EDTA Cleaning ■ OCP for Safe Chemical cleaning of Pre boiler system ■ OCP for Safe Boiler Light up ■ OCP for Safe Rolling and Synchronisation ■ OCP for Safe Loading of Unit |
| 9.2 | <p>SAFETY AND CLEANLINESS :</p> <p>The contractor shall take all necessary safety precautions and arrange for appropriate appliances as per discretion of BHEL or its authorised officials (Site Construction Manager) to prevent loss of human lives, injuries, to personnel engaged and damage to property. Before commencing the work, the contractor shall submit a "Safety Plan" to the above authorised BHEL official and obtain approval on the same. The safety plan shall indicate in detail the measures that would be taken by the contractor to ensure safety of men, equipment, materials and environment during execution of the work. This will also include an organization structure, role and responsibilities of the concerned key personnel, the safety practices that will be followed, PPEs deployed, plan for handling critical activities and emergencies.</p> |
| 9.3 | <p>If the contractor fails to take appropriate safety precautions or to provide necessary safety devices and equipment or to carry out instructions issued by</p> |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | the authorised BHEL official, BHEL shall have the right to take corrective steps at the risk and cost of the contractor. |
| 9.4 | During the course of construction, alternation or repairs, scrap with protruding nail, sharp edge etc and all other debris shall be kept clean from working areas, passage, ways and stairs in and around site. |
| 9.5 | Combustible scrap and debris shall be removed at regular intervals during the course of execution. Safe means shall be provided to facilitate such removal. The combustible scrap should be stored in safe place away from the plant materials to avoid fire accidents. The area shall be chosen in consultation with the Engineer and to be cordoned off. |
| 9.6 | Rigging equipment for materials handling shall be inspected prior to use in each shift and as necessary during its use to ensure that it is safe. Defective rigging equipment will be removed from service. |
| 9.7 | Rigging equipment shall not be loaded in excess of its recommended safe working load. Rigging equipment, when not in use, shall be removed from the original work area so as not to present a hazard to employees. |
| 9.8 | Contractor shall notify the engineer, of his intention to bring on to site any equipment or any container, with liquid or gaseous fuel or other substance which may create a hazard. The Engineer shall have the right to prescribe the condition under which such equipment or container may be handled and used during the performance of the works and the contractor shall strictly adhere to such instructions. The Engineer shall have the right to inspect any construction tool and to forbid its use, if in his opinion it is unsafe. No claim due to such prohibition will be entertained. |
| 9.9 | Where it is necessary to provide and/or store petroleum products or petroleum mixture & explosives, the contractor shall be responsible for carrying out such provision / storage in accordance with the rules & regulations laid down in the relevant petroleum act, explosive act and petroleum and carbide of calcium manual, published by the chief inspector of explosives of India. All such storage shall have prior approval if necessary from the chief inspector of explosives or any other statutory authority. The contractor shall be responsible for obtaining the same. |
| 9.10 | Cylinders shall be moved by tilting and rolling them on their bottom edges. They shall not be intentionally dragged, struck or permitted to strike each other violently. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.11 | When cylinders are transported by powered vehicle they shall be secured in a vertical position. |
| 9.12 | All workmen of the contractor working on construction area shall wear safety shoes, hand gloves, safety helmets and safety belt as applicable. The contractor shall provide to its workforce and ensure the use of following personnel protective equipment as found necessary and as directed by BHEL. |
| 9.12.1 | Safety Helmets conforming to IS-2925 : 1984 |
| 9.12.2 | Safety Belts conforming to IS-3521:1983 |
| 9.12.3 | Safety Shoes conforming to IS-1989 : 1978 |
| 9.12.4 | Eye and face protection devices conforming to IS – 1179:1967, IS 5983:1980, IS 8521 Part 1:1977, IS 8521 Part 2: 1994. |
| 9.12.5 | Hand and body protection devices conforming to IS 4770:1991 and IS- 6994 : Part 1: 1973, IS – 8619 : 1977 |
| 9.12.6 | Ear protection IS-9167:1979 |
| 9.12.7 | Respiratory Protective Devices as per IS-9473:2002, i4746:1999 and 14166:1994 |
| 9.13 | The contractor shall insure his workmen against all accidents and the policy shall be presented to BHEL Engineer on demand. Other wise, BHEL will arrange the same and the expenditure towards this will be debited to the contractor. In case of a fatal or disabling injury accident to any person at construction site due to lapses by the contractor, the victim and/or his/her dependants shall be compensated by the contractor as per statutory requirements. However, if considered necessary BHEL shall have the right to impose appropriate financial penalty on contractor and recover the same from payments due to the contractor for suitably compensating the victim and/or his/her dependence before imposing any such penalty. Appropriate enquiry shall be held by BHEL giving opportunity to the contractor for presenting his case. Above safety conditions are not exhaustive but gives an idea for the contractor and contractor shall adhere to all safety precaution given by the Engineer at site. |
| 9.14 | The contractor shall arrange at his cost adequate lighting facilities e.g. flood lighting, hand lamps, area lighting etc. at various levels for safe and proper working operations during night hours at the work spot as well as at the pre-assembly area. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.15 | The contractor shall be responsible for provision of all the safety notices and safety equipment as enjoined on him by the application of relevant statutory regulation / provisions and/or as called upon by BHEL from time to time. He shall be held responsible for any violation of statutory regulations (local, state or central) and BHEL instruction that may endanger safety of men, equipment and material. |
| 9.16 | The contractor shall provide temporary fencing wherever required as a safety measure against accident and damage to properties. Suitable caution notices shall be displayed where access to any part is found to be unsafe and hazardous. |
| 9.17 | Contractor shall ensure safety of all the workmen, material and equipment either belonging to him or to others working at site. He shall observe safety rules and codes applied by BHEL without exception. |
| 9.18 | It will be the responsibility of the contractor to ensure safe lifting of the equipment, taking due precaution to avoid any accident and damage to other equipment and personnel. All requisite tests and inspection of handling equipment, tools & tackle shall be periodically done by the contractor by engaging only the COMPETENT PERSONS as per law. Defective equipment or uncertified shall be removed from service. Any equipment shall not be loaded in excess of its recommended safe working load. |
| 9.19 | The contractor shall provide necessary first aid facilities as per schedule III. In addition, ambulance facilities, OHC and CMO as per schedule IV, V, X and XI of BOCW Rules as applicable for all his employees, representatives and workmen at site and BHEL shall have no obligation in this regard. The first aid boxes should be placed at various elevations so as to make them available within the reach and at the quickest possible time. The contractor should conduct periodical first –aid classes to keep his supervisor and Engineers properly trained for attending to any emergency. |
| 9.20 | Training |
| 9.20.1 | The contractor shall arrange induction safety training for all employees before assigning work. In addition, awareness programme, mock drill at regular intervals and daily tool box meetings shall be arranged. Monthly report of the above to be given to BHEL safety Officer as per prescribed BHEL formats |
| 9.20.2 | All the contractor’s supervisory personnel and sufficient number of workers shall be trained for fire protection systems. Enough number of such trained personnel must be available during the tenure of contract. Contractor should nominate his |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | supervisor to coordinate and implement the safety measures. |
| 9.21 | Contractor shall provide enough fire protecting equipment of the types and numbers at his office, stores, temporary structure in labour colony etc. Such fire protection equipment shall be easy and kept open at all times. The fire extinguishers shall be properly refilled and kept ready which should be certified at periodic intervals. The date of changing should be marked on the Cylinders. All other fire safety measures as laid down in the "codes for fire safety at construction site" issued by safety coordinator of BHEL shall be followed. Non-compliance of the above requirement under fire protection shall in no way relieve the contractor of any of his responsibility and liabilities to fire accident occurring either to his materials or equipment or those of others. Emergency contacts nos must be displayed at prominent locations |
| 9.22 | The contractor shall at his cost, remove from vicinity of work at least once each day all combustible waste, scrap, painting materials, rubbish, unused or other materials and deposit them in places specified by BHEL to keep the work site clear and tidy. Use of undercoated canvas paper, corrugated paper, fabricated carton, plastic or other flammable materials shall be restricted to the minimum and promptly removed. |
| 9.23 | The contractor shall not use any hand lamp energized by Electric power with supply voltage of more than 24 volts in confined spaces like inside water boxes, turbine casings, condensers etc. |
| 9.24 | All portable electric tools used by the contractor shall have safe plugging system to source of power and be appropriately earthed. Only electricians licensed by appropriate statutory authority shall be employed by the contractor to carry out all types of electrical works. Details of earth resource and their test date to be given to BHEL safety officer as per the prescribed formats of BHEL |
| 9.25 | In case of any delay in completion of a job due to mishaps attributable to lapses by the contractor, BHEL shall have the right to recover cost of such delay from the payments due to the contractor, after notifying the contractor suitably. |
| 9.26 | Valve protection caps shall be kept in place and secured. |
| 9.27 | The contractor shall be responsible for the safe storage and handling of his radio-active sources as per BARC rules and regulations. |
| 9.28 | Tarpaulin being inflammable should not be used (instead, only non infusible covering materials shall be used) as protective cover while preheating, welding, |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | stress relieving etc. at site. |
| 9.29 | If the contractor fails to improve the standards of safety in its operation to the satisfaction of BHEL after being given reasonable opportunity to do so and/or if the contractor fails to take appropriate safety precautions or to provide necessary safety devices and equipment or to carry out instruction regarding safety issued by BHEL, BHEL shall have the right to take corrective steps at the risk and cost of the contractor after giving a notice of not less than 7 days indicating the steps that would be taken by BHEL. |
| 9.30 | If the contractor succeeds in carrying out its job in time with out any fatal or disabling injury accident and without any damage to property BHEL may, at its sole discretion, favorably consider to reward the contractor suitably for the performance. |
| 9.31 | The contractor shall carefully follow the safety requirement of BHEL/ the purchaser with the regard to voltages used in critical areas. |
| 9.32 | The contractor shall use only properly insulated and armored cables which conform to the requirement of Indian Electricity Act and Rules for all wiring, electrical applications at site. BHEL reserves the right to replace any unsafe electrical installations, wiring, cabling etc. at the cost of the contractor. All electrical appliances used in the work shall be in good working condition and shall be properly earthed. No maintenance work shall be carried out on live equipment. The contractor shall maintain adequate number of qualified electricians to maintain his temporary electrical installations. Area wise Electrical safety inspection is to be carried out on monthly basis as per "Electrical Safety Inspection checklist" and the report is to be submitted to BHEL safety officer |
| 9.33 | The contractor shall arrange adequate number of persons specifically for clearing any debris and for house keeping of the erection area including restacking of components in the erection areas. Housekeeping to be carried out as per BHEL's checklist and report is to be submitted to BHEL safety officer |
| 9.34 | In case of any damage to property due to lapses by the contractor, BHEL shall have the right to recover the cost of such damages from the contractor after holding an appropriate enquiry. |
| 9.35 | The contractor shall submit report of all accidents, fires and property damage etc to the Engineer immediately after such occurrence, but in any case not later then 24 hours of the occurrence. Such reports shall be furnished in the manner prescribed by BHEL. In addition periodic reports on safety shall also be |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | submitted by the contractor to BHEL from time to time as prescribed by the Engineer. Compiled monthly reports of all kinds of accidents, fires and property damage to be submitted to BHEL safety officer as per prescribed formats |
| 9.36 | Before commencing the work, the contractor shall appoint/nominate a responsible person to supervise implementation of all safety measures and liaison with his counterpart of BHEL. |
| 9.37 | Suitable scaffolds shall be provided for workman for all works that cannot safely be done from the ground, or from solid construction except in the case of short duration of work which can be done safely from ladders. When a ladder is used, it shall be of rigid construction made of steel. The steps shall have a minimum width of 45 cm and a maximum rise of 30 cm. Suitable handholds of good quality wood or steel shall be provided and the ladder shall be given an inclination not steeper than ¼ horizontal and 1 vertical. |
| 9.38 | Scaffolding or staging more than 3.6 m above the ground floor, swung or suspended from an overhead support or erected with stationery support shall have a guard rail properly bolted, braced or otherwise secured, at least 90 cm above the floor or platform of such scaffolding or staging and extending along the entire length of the out side and ends thereof with only such openings as may be necessary for the delivery of materials. Such scaffolding or staging shall be so fastened as to prevent it from savor, from swaying, from the building or structure. |
| 9.39 | Working platforms, gangways and stairways shall be so constructed that they do not sag unduly or unequally and if the height of the platform gangways provided is more than 3.6 m above ground level or floor level, they shall be closely boarded and shall have adequate width which shall not be less than 750 mm and be suitably fenced as described above. |
| 9.40 | Every opening in the floor or a building or in a working platform shall be provided with suitable means to prevent the fall of persons or materials by providing suitable fencing or railing whose minimum height shall be 90 cm. |
| 9.41 | Wherever there are open excavation in ground, they shall be fenced off by suitable railing and danger signals installed at night so as to prevent persons slipping into the excavations. |
| 9.42 | Safe means of access shall be provided to all working places. Every ladder shall be securely fixed. No portable single ladder shall be over 9 m in the length while the width between side rails in rung ladder shall in no case be less than app. 29.2 cm for ladder upto and including 3 m in length. For longer ladders this |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| | width shall be increased at least ¼" for each additional foot of length. |
| 9.43 | A sketch of the ladders and scaffolds proposed to be used shall be prepared and approval of the Engineer obtained prior to Construction. |
| 9.44 | All personnel of the Contactor working within the plant site shall be provided with safety helmets. All welders shall wear welding goggles while doing welding work and all metal worker shall be provided with safety gloves. Persons employed on metal cutting and grinding shall wear safety glasses. |
| 9.45 | Adequate precautions shall be taken to prevent danger for electrical equipment. No materials on any of the sites of work shall be so stacked or placed as to cause danger or inconvenience to any person or the public. |
| 9.46 | All trenches, four feet or more in depth, shall at all times be supplied with at least one ladder for each 30 m in length or fraction thereof. The ladder shall be extended from bottom of the trench to at least 90 cm above the surface of the ground. Sides of the trenches which are 1.50 m or more in depth shall be stepped back to give suitable slope or securely held by timer bracing, so as to avoid the danger of sides collapsing. The excavated materials shall not be placed within 1.5 m of the edges of the trench or half of the depth of the trench whichever is more. Cutting shall be done from top to bottom. Under no circumstances undermining or undercutting shall be done. |
| 9.47.1 | The contractor shall take permission of BHEL prior to risky jobs such as working at height, hot work, liftig activities, etc through permits. No job should be started without permits. |
| 9.47.2 | The Contactor shall take all measures at the sites of the work to protect all persons from accidents and shall be bound to bear the expenses of defense of every suit, action or other proceeding at law that may be brought by any persons for injury sustained or death owing to neglect of the above precautions and to pay any such persons such compensation or which may with the consent of the Contractor be paid to compromise any claim by any such person should such claim proceeding be filed against BHEL, the Contractor hereby agrees to indemnify BHEL against the same. |
| 9.48 | Before any demolition work is commenced and also during the process of the work the following shall be ensured: |
| 9.48.1 | All roads and open areas adjacent to the work site shall either be closed or suitably protected. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.48.2 | No electric cable or apparatus which is liable to be a source of danger nor a cable or an apparatus used by the operator shall remain electrically charged. |
| 9.48.3 | All practical steps shall be taken to prevent danger to persons employed from the risks of fire or explosion or flooding. No floor, roof or other part of the building shall be so overloaded with debris or materials as to render them unsafe. |
| 9.49 | All necessary personnel safety equipment as considered adequate by the Engineer should be kept available for the use of the persons employed in the Site and maintained in a condition suitable for immediate use and the Contactor should take adequate steps to ensure proper use of equipment by those concerned. |
| 9.49.1 | Workers employed on mixing asphalted materials, cement and lime mortars shall be provided with protective foot wear and protective goggles. |
| 9.49.2 | Those engaged in white washing and mixing or stacking of cement bags or any materials which is injurious to the eyes shall be provided with protective goggles. |
| 9.49.3 | Those engaged in welding works shall be provided with welder's protective eyesight lids. |
| 9.49.4 | Stone breakers shall be provided with protective goggles and protective clothing and seated sufficient to safe intervals. |
| 9.49.5 | Where workers are employed in sewers and manholes, which are in use, the Contractor shall ensure that the manhole covers are opened and ventilated at least for an hour before the workers are allowed to get into manhole, and the manholes so opened shall be cordoned off with suitable railing and provided with warning signals or boards to prevent accident to the public. |
| 9.49.6 | The Contractor shall not employ men below the age of 18 years and women on the work of painting with products containing lead in any form. Wherever men above the age of 18 are employed on the work of lead painting, the following precautions should be taken. |
| 9.49.6.1 | No paint containing lead or lead products shall be used except in the form of paste or ready made paint. |
| 9.49.6.2 | Suitably face masks should be supplied for use by the workers where paints are applied in the form of spray or a surface having lead paint dry rubbed and scrapped. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.49.6.3 | Overalls shall be supplied by the Contractor to the workmen and adequate facilities shall be provided to enable the working painters to wash during the cessation of work. |
| 9.50 | When the work is being done near any place where there is risk of drowning all necessary equipment should be provided and kept ready for use and all necessary steps taken for prompt rescue of any person in danger and adequate provision should be made for prompt first aid treatment of all injuries likely to be sustained during the course of the work. |
| 9.51 | Motors, gearing, transmission, electric wiring and other dangerous parts of hoisting appliances should be provided with efficient safe guards. Hoisting appliance should be provided with such means as will reduce to the minimum the risk of any part of a suspended load becoming accidentally displaced. When workers employed on electrical installations which are already energized, insulating mats, wearing apparel, such as gloves, sleeves and boots as may be necessary should be provided. The worker should not wear any rings, watches and carry keys or other materials which are good conductor of electricity. |
| 9.52 | All scaffolds, ladders and other safety devices mentioned or described herein shall be maintained in safe condition and no scaffold, ladder or equipment shall be altered or removed while it is in use. Adequate washing facilities should be provided at or near the places of work. |
| 9.53 | The contractor shall maintain and ensure necessary safety measures as required for inspection and tests HV test, Pneumatic test, Hydraulic test, Spring test, Bend test etc as applicable, to enable. inspection Agency for performing Inspection. If any test equipment is found not complying with proper safety requirements then the Inspection Agency may withhold inspection, till such time the desired safety requirements are met. |
| 9.54 | The Contractor shall notify BHEL of his intention to bring to site any equipment or material which may create hazard. BHEL shall have the right to prescribe the conditions under which such equipment or materials may be handled and the contractor shall adhere to such instructions. BHEL may prohibit the use of any construction machinery, which according to him is unsafe. No claim for compensation due to such prohibition will be entertained by BHEL. |
| 9.55 | All safety precautions shall be taken for welding and cutting operations as per IS-818. All safety precautions shall be taken for foundation and other excavation marks as per IS-3764. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

| 9.56 | .All gas cylinders shall be stored in upright position. Suitable trolley shall be used. There shall be flash-back arrestors conforming to IS-11006 at both cylinder and burner ends. Damaged tube and regulators must be immediately replaced. No of cylinders shall not exceed the specified quantity as per OCP | | | | | | | | | | | | |
|------|--|--------------|---------------------------|--------------|----|---------------------------|--------|-----|--|--------|----|-------------------------|--------|
| 9.57 | These safety provisions should be brought to the notice of all concerned by display on a notice board at a prominent, place at work spot. The persons responsible for compliance of the safety code shall be named therein by the Contractor | | | | | | | | | | | | |
| 9.58 | To ensure effective enforcement of the rules and regulations relating to safety precautions the arrangement made by the contract shall be open to inspection by the Engineer of the Engineer's Representative. | | | | | | | | | | | | |
| 9.59 | Keeping the work area clean/ free from debris, removed scaffoldings, scraps, insulation/sheeting wastage /cut pieces, temporary structures, packing woods etc. will be in the scope of the contractor. Such cleanings has to be done by contractor within quoted rate, on daily basis by an identified group. If such activity is not carried out by contractor / BHEL is not satisfied, then BHEL may get it done by other agency and actual cost alongwith BHEL overheads will be deducted from contractor's bill. Such decisions of BHEL shall be binding on the contractor. | | | | | | | | | | | | |
| 9.60 | Notwithstanding the above clauses there is nothing to exit the Contractor from the operations of any other Act or Rule in force in area of work in this respect. Provided always that all safety measures apart from those specifically provided in this agreement which are brought to the notice of the Contractor from time to time by the Engineer shall be complied by the Contractor. Provided further that all consequences, damages, or losses arising by reason of any safety code shall be met with by the Contractor. | | | | | | | | | | | | |
| 9.61 | <p><u>NON COMPLIANCE:-</u> NONCONFORMITY OF SAFETY RULES AND SAFETY APPLIANCES WILL BE VIEWED SERIOUSLY AND BHEL HAS RIGHT TO IMPOSE FINES ON THE CONTRACTOR AS UNDER <u>for every instance of violation noticed:</u></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">SN</th> <th style="width: 60%;">Violation of Safety Norms</th> <th style="width: 30%;">Fine (in Rs)</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">01</td> <td>Not Wearing Safety Helmet</td> <td style="text-align: center;">50/- *</td> </tr> <tr> <td style="text-align: center;">02.</td> <td>Not wearing Safety Belt or not anchoring life line</td> <td style="text-align: center;">100/-*</td> </tr> <tr> <td style="text-align: center;">03</td> <td>Not wearing safety shoe</td> <td style="text-align: center;">100/-*</td> </tr> </tbody> </table> | SN | Violation of Safety Norms | Fine (in Rs) | 01 | Not Wearing Safety Helmet | 50/- * | 02. | Not wearing Safety Belt or not anchoring life line | 100/-* | 03 | Not wearing safety shoe | 100/-* |
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| 01 | Not Wearing Safety Helmet | 50/- * | | | | | | | | | | | |
| 02. | Not wearing Safety Belt or not anchoring life line | 100/-* | | | | | | | | | | | |
| 03 | Not wearing safety shoe | 100/-* | | | | | | | | | | | |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 04 | Not keeping gas cylinders vertically | 100/- |
| 05 | Not using flash back arrestors | 50/- |
| 06 | Not wearing gloves | 50/- * |
| 07. | Grinding Without Goggles | 50/- * |
| 08. | Not using 24 V Supply For Internal Work | 500/- |
| 09. | Electrical Plugs Not used for hand Machine | 100/- |
| 10. | Not Slinging property | 200/- |
| 11. | Using Damaged Sling | 200/- |
| 12. | Lifting Cylinders Without Cage | 500/- |
| 13. | Not Using Proper Welding Cable With Lot of Joints And Not Insulated Property. | 200/- |
| 14. | Not Removing Small Scrap From Platforms | 200/- |
| 15. | Gas Cutting Without Taking Proper Precaution or Not Using Sheet Below Gas Cutting | 200/- |
| 16. | Not Maintaining Electric Winches Which are Operated Dangerously | 500/- |
| 17. | Improper Earthing Of Electrical T&P | 500/- |
| 18 | No or improper barricading | 500/- |
| 19. | Activity carried out without Safety work permit (Height work, Lifting activity, Hot work-each person/case) | 1000/- |
| 20. | Accident Resulting in Partial Loss in Earning Capacity | 25,000/- per victim |
| 21. | Fatal Accident/Accidents Resulting in total loss in Earning Capacity | 1,00,000/- per victim # |

Legend: -*: per head,

#: or as deducted by Customer whichever is higher

Any other non-conformity noticed not listed above will also be fined as deemed fit by BHEL. The decision of BHEL engineer is final on the above. The amount will be deducted from running bills of the contractor. The amount collected above will be utilized for giving award to the employees who could avoid accident by following safety rules. Also the amount will be spent for purchasing the safety appliances and supporting the safety activity at site.

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-IX:HSE & OHSAS

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| 9.61 | <p><u>CITATION</u>:-If safety record of the contractor in execution of the awarded job is to the satisfaction of safety department of BHEL, issue of an appropriate certificate to recognize the safety performance of the contractor may be considered by BHEL after completion of the job</p> |
| 9.62 | <p><u>MEMORANDUM OF UNDERSTANDING</u> After Award Of Work, Contractors Are Required To Enter Into A Memorandum Of Understanding As Given Below:</p> <p style="text-align: center;"><u>Memorandum of Understanding</u></p> <ul style="list-style-type: none">➤ BHEL, Power Sector _____ Region is committed to Health, Safety and Environment Policy (EHS Policy).➤ M/s _____ do hereby also commit to the same EHS Policy while executing the Contract Number _____➤ M/s _____ shall ensure that safe work practices not limited to the above are followed by all construction workers and supervisors. Spirit and content therein shall be reached to all workers and supervisors for compliance.➤ BHEL will be carrying out EHS audits twice a year and M/s _____ shall ensure to close any non-conformity observed/reported within fifteen days. <p>Signed by authorized representative of M/s -----</p> <p>Name :</p> <p>Place & Date:</p> |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-X: RA Bill Payments

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| 10.0 | RA Bill Payments |
| 10.1 | The contractor shall submit his monthly RA bills with all the details required by BHEL on specified date every month covering progress of work in all respects and areas for the previous calendar month. |
| 10.2 | Mode of payment and measurement of work completed shall be as per relevant clauses of General Conditions of Contract |
| 10.3 | Release of payment in each running bill including PVC Bills where ever applicable will be restricted to 95% of the value of work admitted as per stages of progressive pro rata payments. |
| 10.4 | The 5% thus remaining shall be treated as 'Retention Amount' and shall be released as per terms specified in the General Conditions of Contract. |
| 10.5 | <p>The payment for running bills will normally be released within 30 days of submission of running bill complete in all respects with all documents. It is the responsibility of the contractor to make his own arrangements for making timely payments towards labour wages, statutory payments, outstanding dues etc and other dues in the meanwhile.</p> <p>In case of Civil works, 60% of RA Bills complete and correct in all respects and certified by BHEL Engineer, shall be paid within 15 days of receipt. Balance payment shall be within 30 days.</p> |
| 10.6 | <p>BHEL shall release payment through Electronic Fund Transfer (EFT)/RTGS. In order to implement this system, Contractor to furnish details pertaining to his Bank Accounts where proceeds will be transferred through BHEL's banker, as per prescribed formats:</p> <p>Note: BHEL may also choose to release payment by other alternative modes as applicable</p> |
| 10.7 | Paying Authority shall be the Construction Manager of the Site. Any change in the paying Authority shall be intimated to the Contactor accordingly. |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-XI : Performance Monitoring

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| 11.0 | Performance Monitoring |
| 11.1 | Performance of the contractor is monitored through various reports/reviews and shall be jointly evaluated every month for unit wise identified packages as per prescribed formats. Based on the net weighted scores obtained, Contractors shall be rated 'Good' or 'Satisfactory' or 'Unsatisfactory' |
| 11.2 | In case of any dispute on performance rating and the contractor refuses to sign on the performance rating given by BHEL package Incharge, the same shall be reviewed by BHEL site Incharge/Construction Manager and his decision shall be final. |
| 11.3 | Release of RA Bills will be contingent upon joint evaluation of performance |
| 11.4 | Performance of the contractor will be taken into consideration for assessing the capacity of the bidder to execute future jobs under tender, as detailed in the Notice Inviting Tender. Risk of non evaluation or non availability of the Monthly performance evaluation reports is to be borne by the Bidder. |
| 11.5 | In case of 'Unsatisfactory performance' for a continuous period of three or more months for a package or packages, BHEL has the right to get the balance works executed at the risk and cost of the contractor. |
| 11.6 | In case of 'Unsatisfactory performance' in a financial year, BHEL reserves the right to put on hold such Contractors for a period of six months for similar package or similar packages |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-XII: Suspension of Business Dealings

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| 12.0 | Suspension of Business dealings |
| 12.1 | BHEL reserves the right to take action against contractors who fail to perform or indulge in malpractices, by suspending business dealings with them. |
| 12.2 | Suspension could be in the form of 'Hold', 'De-listing' or 'Banning' a contractor. |
| 12.3 | <p>A bidder may be put on HOLD for a period of 6 months, for future tenders for specific works on the basis of one or more of the following reasons:</p> <ul style="list-style-type: none"> a) Bidder does not honour his own offer or any of its conditions within the validity period. b) Bidder fails to respond against three consecutive enquires of BHEL. c) After placement of order, Bidder fails to execute a contract. d) Bidder fails to settle sundry debt account, for which he is legitimately liable, within one year of its occurrence. e) Bidder's performance rating falls below 60% in specific category (more fully described in chapter 'Performance Monitoring') f) Bidder works are under strike/ lockout for a long period. |
| 12.4 | <p>A Bidder may be de-listed from the list of registered Bidders of the region for a period of 1 year on the basis of one or more of the following reasons:-</p> <ul style="list-style-type: none"> a) Bidder tampers with tendering procedure affecting ordering process or commits any misconduct which is contrary to business ethics. b) Bidder has substituted, damaged, failed to return, short returned or unauthorizedly disposed off materials/ documents/ drawings/ tools etc of BHEL. c) Bidder no longer has the technical staff, equipment, financial resources etc. required to execute the orders/ contracts. |
| 12.5 | <p>A Bidder can be banned from doing any business with all Units of BHEL for a period of 3 years on the basis of one or more of the following reasons:</p> <ul style="list-style-type: none"> a) Bidder is found to be responsible for submitting fake/ false/ forged documents, certificates, or information prejudicial to BHEL's interest. b) In spite of warnings, the Bidder persistently violates or circumvents the provisions of labour laws/ regulations/ rules and other statutory requirements. c) Bidder is found to be involved in cartel formation |

SPECIAL CONDITIONS OF CONTRACT (SCC)
Chapter-XII: Suspension of Business Dealings

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| | <ul style="list-style-type: none">d) The Bidder has indulged in malpractices or misconduct such as bribery, corruption and fraud, pilferage etc which are contrary to business ethics.e) The Bidder is found guilty by any court of law for criminal activity/ offences involving moral turpitude in relation to business dealings.f) The Bidder is declared bankrupt, insolvent, has wound up or been dissolved; i.e ceases to exist for all practical purposes.g) Bidder is found to have obtained Official Company information/ documentation by questionable means.h) Communication is received from the administrative Ministry of BHEL to ban the Bidder from business dealings. |
| 12.6 | Contracts already entered with a contractor before the date of issue of order of 'HOLD' or 'DE-LISTING' shall not be affected. |
| 12.7 | All existing contracts with a 'BANNED' contractor shall normally be short closed |
| 12.8 | Once the order for suspension is passed, existing offers/new offers of the contractor shall not be entertained |
| 12.9 | The above guidelines are not exhaustive but enunciate broad principles governing action against contractors |

Volume - IC
General Conditions of
Contract
(Common for Power Sector Regions)

2012

TABLE OF CONTENTS

1. **Chapter-1** : General Instructions to Tenderers

- 1.1. Despatch Instructions
- 1.2. Submission of Tenders
- 1.3. Language
- 1.4. Price Discrepancy
- 1.5. Qualification of Tenderers
- 1.6. Evaluation of Bids
- 1.7. Data to be enclosed
- 1.8. Authorisation and Attestation
- 1.9. Earnest Money Deposit
- 1.10. Security Deposit
- 1.11. Return of Security Deposit
- 1.12. Bank Guarantee
- 1.13. Validity of offer
- 1.14. Execution of Contract Agreement
- 1.15. Rejection of Tender and other Conditions

2. **Chapter-2**

- 2.1. Definitions
- 2.2. Law Governing Contract and Court Jurisdiction
- 2.3. Issue of Notice
- 2.4. Use of land

- 2.5. Commencement of Work
- 2.6. Measurement of Work and Mode of Payment
- 2.7. Rights of BHEL
- 2.8. Responsibilities of Contractor in respect of Local Laws, Employment of Workers etc
- ~~2.9. Progress Monitoring, Monthly Review and Performance Evaluation~~
- 2.10. Time of Completion
- 2.11. Extension of Time for Completion
- ~~2.12. Over Run Compensation~~
- ~~2.13. Interest Bearing Recoverable Advances~~
- ~~2.14. Quantity Variation~~
- ~~2.15. Extra Works~~
- 2.16. Supplementary Items
- ~~2.17. Price Variation Clause~~
- 2.18. Insurance
- 2.19. Strikes & Lockout
- 2.20. Force Majeure
- 2.21. Arbitration and Reconciliation
- 2.22. Retention Amount
- 2.23. Payments
- 2.24. Performance Guarantee for Workmanship
- 2.25. Closing of Contracts
- 2.26. Reverse Auction
- 2.27. Suspension of Business Dealings
- 2.28. Other Issues

CHAPTER -1

1. GENERAL INSTRUCTION TO TENDERERS

1.1. DESPATCH INSTRUCTION

- i) The General Conditions of Contract form part of the Tender specifications. **All pages of the tender documents shall be duly signed, stamped and submitted along with the offer in token of complete acceptance thereof.** The information furnished shall be complete by itself. The tenderer is required to furnish all the details and other documents as required in the following pages
- ii) Tenderers are advised to study all the tender documents carefully. Any submission of tender by the tenderer shall be deemed to have been done after careful study and examination of the tender documents and with the full understanding of the implications thereof. Should the tenderers have any doubt about the meaning of any portion of the Tender Specification or find discrepancies or omissions in the drawings or the tender documents issued are incomplete or shall require clarification on any of the technical aspect, the scope of work etc., he shall at once, contact the authority inviting the tender well in time (so as not to affect last date of submission) for clarification before the submission of the tender. Tenderer's request for clarifications shall be with reference to Sections and Clause numbers given in the tender documents. The specifications and terms and conditions shall be deemed to have been accepted by the tenderer in his offer. Non compliance with any of the requirements and instructions of the tender enquiry may result in the rejection of the tender.
- iii) Integrity pact (IP) shall be applicable for all tenders / contracts if indicated in NIT. This integrity pact shall be issued as part of the Tender documents and shall be returned by the bidder along with Techno-commercial bid duly filled, signed and stamped by the authorized signatory who signs the bid. Only those vendors / bidders who have entered into such an IP with BHEL shall be considered qualified to participate in the bidding. Entering into this pact shall be a preliminary qualification.

1.2. SUBMISSION OF TENDERS

- 1.2.1 The tenderers must submit their tenders to Officer inviting tender as per instructions in the NIT
- 1.2.2 Tenders submitted by post shall be sent by 'REGISTERED POST ACKNOWLEDGEMENT DUE / by COURIER' and shall be posted with due allowance for any postal/courier delays. BHEL takes no responsibility for delay, loss or non-receipt of tenders sent by post/courier. **The tenders received after the specified time of their submission are treated as 'Late Tenders' and shall not be considered under any circumstances.** Offers received by Fax/Email/Internet shall be considered as per terms of NIT.
- 1.2.3 Tenders shall be opened by authorised Officer of BHEL at his office at the time and date as specified in the NIT, in the presence of such of those tenderers or their authorised representatives who may be present

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

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

1.3. LANGUAGE

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

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

1.4 PRICE DISCREPANCY:

1.4.1 **Conventional (Manual) Price Bid opening** : In the case of price bid opening without resorting to Reverse Auction, if there are differences between the rates given by the tenderer in words and figures or in amount worked out by him, the following procedure for evaluation and award shall be followed:

- i) When there is a difference between the rates in figures and in words, the rates which corresponds to the amounts worked out by the contractor, shall be taken as correct
- ii) When the amount of an item is not worked out by the contractor or it does not correspond with the rate written either in figure or in words, then the rate quoted by the contractor in words shall be taken as correct
- iii) When the rate quoted by the contractor in figures and words tallies but the amount is not worked out correctly, the rate quoted by the contractor shall be taken as correct and not the amount.
- iv) In case of lumpsum price, if there is any difference between the amount in figures and in words, the amount quoted by the bidder in words shall be taken as correct.
- v) In case of omission in quoting any rate for one or more items, the evaluation shall be done considering the highest quoted rate obtained against the respective items by other tenderers for the subject tender. If the tenderer becomes L-1, the notional rates for the omission items shall be the lowest rates quoted for the respective items by the other tenderers against the respective omission items for the subject job and the 'Total quoted price (loaded for omissions)' shall be arrived at. However the overall price remaining the same as quoted originally, the rates for all the items in the 'Total quoted price (loaded for omissions)' shall be reduced item wise in proportion to the ratio of 'Original' total price and the 'Total quoted price (loaded for omissions)'.
- vi) The 'Final Total Amount' shall be arrived at after considering the amounts worked out in line with 'i' to 'iv' above.

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

1.5. QUALIFICATION OF TENDERERS

- i) Only tenderers who have previous experience in the work of the nature and description detailed in

- the Notice Inviting Tender and/or tender specification are expected to quote for this work duly detailing their experience along with offer.
- ii) Offers from tenderers who do not have proven and established experience in the field shall not be considered
 - iii) .Offers from tenderers who are under suspension (banned) by any Unit/Region/Division of BHEL shall not be considered.
 - iv) Offers from tenderers who do not comply with the latest guidelines of Ministry/Commissions of Govt of India shall not be considered.

1.6. EVALUATION OF BIDS

- i) Technical Bids submitted by the tenderer will be opened first and evaluated for fulfilling the Pre Qualification criteria and other conditions in NIT/Tender documents, based on documentary evidences submitted along with the offer
- ii) In case the same qualifying experience is claimed by more than one agency, then the agency who has executed the work as per documentary evidence submitted shall only be qualified. Scope of qualifying work should be totally with the agency who has executed and in case it is only labour+consumables without T&P, then the responsibility of execution is assigned to the first agency and not to the agency who has executed only as labour supply contractor. Further, BHEL reserves the right to ask for further proofs including submission of TDS certificates for the said job
- iii) In case the qualifying experience is claimed by private organizations based on Work Order and completion certificates from another private organization, BHEL reserves the right to ask for further proofs including submission of TDS certificates for the said job
- iv) Assessing Bidder Capacity for executing the current tender shall be as per Notice Inviting Tender
- v) Price Bids of shortlisted bidders shall only be opened either through the conventional price bid opening or through electronic Reverse Auction, at the discretion of BHEL
- vi) Price Bids of unqualified bidders shall not be opened. Reasons for rejection shall be intimated in due course after issue of LOI/LOA to successful bidder and receipt of unqualified acceptance from the successful bidder
- vii) Bidders are advised to also refer to clause no 2.9.4 regarding evaluation of their performance in ongoing projects for the current tender

1.7. DATA TO BE ENCLOSED

Full information shall be given by the tenderer in respect of the following. Non-submission of this information may lead to rejection of the offer.

- i) **INCOME TAX PERMANENT ACCOUNT NUMBER**
Certified copies of Permanent Account Numbers as allotted by Income Tax Department for the Company/Firm/Individual Partners, etc. shall be furnished along with tender.
- ii) **ORGANIZATION CHART**
The organization chart of the tenderer's organization, including the names, addresses and contact information of the Directors/Partners shall be furnished along with the offer.
- iii) An attested copy of the Power of Attorney, in case the tender is signed by an individual other than the sole proprietor
- iv) **IN CASE OF INDIVIDUAL TENDERER:**
His / her full name, address and place & nature of business.

v) **IN CASE OF PARTNERSHIP FIRM**

The names of all the partners and their addresses, A copy of the partnership deed/instrument of partnership duly certified by the Notary Public shall be enclosed.

vi) **IN CASE OF COMPANIES:**

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

1.8 **AUTHORISATION AND ATTESTATION**

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

1.9 **EARNEST MONEY DEPOSIT**

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

- i) EMD shall be furnished along with the offer in full as per the amount indicated in the Special Conditions of Contract / NIT
- ii) EMD is to be paid in cash (as permissible under Income Tax Act), Pay order or Demand Draft in favour of 'Bharat Heavy Electricals Limited' and payable at Regional HQ issuing the tender.
- iii) No other form of EMD remittance shall be acceptable to BHEL
- iv) Bidder may opt to deposit "One Time EMD" of Rs. 2.0 lakhs (Rupees Two lakhs only) with BHEL:Power Sector Region HQ issuing the tender, which will enable them to participate in all the future tender enquiries in respect of Erection and Commissioning services issued from the respective office. Interested bidders may clearly send their consent for converting the present EMD into a "One Time EMD" in their offer.
 - Note : The 'One Time EMD' cannot be withdrawn by the tenderers within 3 years from the date of deposit, under any circumstances. The Tenderer who wishes to withdraw after three years will not be allowed to submit 'One Time EMD' again.
- v) Bidders who have already deposited such "One Time EMD" of Rs. 2.00 lakh are exempted from submission of EMD for this tender. However a copy of 'One Time EMD' certificate issued by BHEL Regional HQ issuing the tender shall be enclosed along with the offer.

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

- i) After opening the tender, the bidder revokes his tender within the validity period or increases his earlier quoted rates.
- ii) The bidder does not commence the work within the period as per LOI/Contract. In case the LOI / contract is silent in this regard then within 15 days after award of contract.

1.9.3 EMD shall not carry any interest.

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

1.10 SECURITY DEPOSIT

1.10.1 Upon acceptance of Tender, the successful Tenderer should deposit the required amount of Security Deposit for satisfactory completion of work, as per the rates given below:

| SN | Contract Value | Security Deposit Amount |
|----|-------------------------------------|---|
| 1 | Up to Rs. 10 lakhs | 10% of Contract Value |
| 2 | Above Rs. 10 lakhs upto Rs.50 lakhs | 1 lakh + 7.5% of the Contract Value exceeding Rs. 10 lakhs. |
| 3 | Above Rs. 50 lakhs | Rs 4 lakhs + 5% of the Contract Value exceeding Rs. 50 lakhs. |

1.10.2 The security Deposit should be furnished before start of the work by the contractor.

1.10.3 Security Deposit may be furnished in any one of the following forms

- i) Cash (as permissible under the Income Tax Act)
- ii) Pay Order / Demand Draft in favour of BHEL.
- iii) Local cheques of scheduled banks, subject to realization.
- iv) Securities available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. (Certificates should be held in the name of Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).
- v) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format for Security Deposit shall be in the prescribed formats
- vi) Fixed Deposit Receipt issued by Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
- vii) Security deposit can also be recovered at the rate of 10% from the running bills. However in such cases at least 50% of the Security Deposit should be deposited in any form as prescribed before start of the work and the balance 50% may be recovered from the running bills.
- viii) EMD of the successful bidder can be converted and adjusted against the cash portion of Security Deposit excepting for such bidders who have remitted One Time EMD.

NOTE: Acceptance of Security Deposit against Sl. No. (iv) and (vi) above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.

1.10.4 The Security Deposit shall not carry any interest.

1.10.5 In case the value of work exceeds / reduces from the awarded / accepted value, the Security Deposit shall be correspondingly enhanced / reduced as given below:

- i) The enhanced part of the Security Deposit shall be immediately deposited by the Contractor or adjusted against payments due to the Contractor.
- ii) There will be no reduction in Security Deposit value in case of variation in contract value upto the lower limit specified in Quantity variation clause. In case of reduction of contract value beyond the lower limit specified in Quantity Variation clause, then the Security Deposit shall be re adjusted in proportion.
- iii) In case of reduction, the reduced Contract value shall be certified by BHEL Construction Manager after ascertaining / freezing of BOQ / Drawings from the Design / Engineering Centre. The reduced Security Deposit value can only be considered after taking into account the adequacy of the

securities held by BHEL to meet the liabilities of the contractor for the contract, and the performance of the contract in general. **In such cases, the revised value of Security Deposit shall be worked out only after execution of not less than the lower limit of the revised scope of work/contract value as per quantity variation clause, and as certified by Construction Manager. This reduction in value of Security Deposit shall not entitle the contractor to any amendment of Contract and shall be operated at the discretion of BHEL**

- iv) Contract value for the purpose of operating the reduced/increased value of Security Deposit due to Quantity Variation, shall be exclusive of Price Variation Clause, Over Run Compensation and Extra works done on manday rates.

1.10.6 The validity of Bank Guarantees towards Security Deposit shall be initially upto the completion period as stipulated in the Letter of Intent/Award + 3 months, and the same shall be kept valid by proper renewal till the acceptance of Final Bills of the Contractor, by BHEL

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

1.11 RETURN OF SECURITY DEPOSIT

Security Deposit shall be refunded/Bank Guarantee(s) released to the Contractor along with the 'Final Bill' after deducting all expenses / other amounts due to BHEL under the contract / other contracts entered into with them by BHEL.

1.12 BANK GUARANTEES

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

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

1.13 VALIDITY OF OFFER

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

1.14 EXECUTION OF CONTRACT AGREEMENT

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

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

1.15 REJECTION OF TENDER AND OTHER CONDITIONS

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

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

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

1.15.3 Tenders are liable to be rejected in case of unsatisfactory performance of the tenderer with BHEL, or tenderer under suspension (hold/banning /delisted) by any unit / region / division of BHEL or tenderers who do not comply with the latest guidelines of Ministry/Commissions of Govt of India. BHEL reserves the right to reject a bidder in case it is observed that they are overloaded and may not be in a position to execute this job as per the required schedule in line with clause no. 9.0 of the 'NIT'. The decision of BHEL will be final in this regard.

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

1.15.5 BHEL will not be bound by any Power of Attorney granted by changes in the composition of the firm made subsequent to the execution of the contract. They may, however, recognise such

power of Attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor concerned.

- 1.15.6 If the tenderer deliberately gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract if awarded and forfeit the Earnest Money/Security Deposit/any other money due.
- 1.15.7 Canvassing in any form in connection with the tenders submitted by the Tenderer shall make his offer liable to rejection.
- 1.15.8 In case the Proprietor, Partner or Director of the Company/Firm submitting the Tender, has any relative or relation employed in BHEL, the authority inviting the Tender shall be informed of the fact as per specified format, along with the Offer. Failing to do so, BHEL may, at its sole discretion, reject the tender or cancel the contract and forfeit the Earnest Money/Security Deposit.
- 1.15.9 The successful tenderer should not sub-contract part or complete work detailed in the tender specification undertaken by him without written permission of BHEL's Construction Manager/Site Incharge. The tenderer is solely responsible to BHEL for the work awarded to him.
- 1.15.10 The Tender submitted by a techno commercially qualified tenderer shall become the property of BHEL who shall be under no obligation to return the same to the bidder. However unopened price bids and late tenders shall be returned to the bidders
- 1.15.11 Unsolicited discount received after the due date and time of Bid Submission shall not be considered for evaluation. However, if the party who has submitted the unsolicited discount/rebate becomes the L-I party, then the awarded price i.e contract value shall be worked out after considering the discount so offered.
- 1.15.12 BHEL shall not be liable for any expenses incurred by the bidder in the preparation of the tender irrespective of whether the tender is accepted or not.

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 (of the respective Power Sector Region inviting the Tender), a company registered under Indian Companies Act 1956, with its Registered Office at BHEL HOUSE, SIRI FORT, NEW DELHI – 110 049, or its Power Sector Regional Offices 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 Administrative charge of the respective Power Sector Region.
- iii) “COMPETENT AUTHORITY” shall mean Executive Director or Group General Manager or General Manager (Incharge) or General Manager or BHEL Officers who are empowered to act on behalf of the Executive Director or General Manager (Incharge) 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 at Site or at the Headquarters of the respective Power Sector Regions.
- v) “SITE” shall mean the places or place at which the plants/equipments 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 equipments 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 Agreement of Work Order, 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

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| | Specifications, Appendices, Annexures, Corrigendums, 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 Letter/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 equipments covered by the contract. |
| xiv) | “EQUIPMENT” shall mean equipment, machineries, materials, structural, electricals 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 equipments 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 synchronisation 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 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 |
| xxix) | “DE MOBILISATION” shall mean the temporary winding up of Site establishment by Contractor leading to suspension of works temporarily for reasons not attributable to the contractor |
| xxx) | “RE MOBILISATION” shall mean the resumption of work with all resources required for the work after demobilization. |
| 2.2 | <p style="text-align: center;">LAW GOVERNING THE CONTRACT AND COURT JURISDICTION</p> <p>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 Delhi for PSNR, at Kolkata for PSER, at Nagpur for PSWR and at Chennai for PSSR, 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</p> |
| 2.3 | <p style="text-align: center;">ISSUE OF NOTICE</p> <p>2.3.1 <u>Service of notice on contractor</u> 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 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.</p> <p>2.3.2 <u>Service of notice on BHEL</u> Any notice to be given to BHEL in-charge/Region under the terms of the Contract shall be served by sending the same by post to or leaving the same at BHEL address or changed address as notified in writing by BHEL to the Contractor.</p> |
| 2.4 | <p style="text-align: center;">USE OF LAND</p> <p>No land belonging to BHEL or their Customer under temporary possession of BHEL shall be occupied by the contractor without written permission of BHEL.</p> |

2.5 COMMENCEMENT OF WORK

- 2.5.1 The contractor shall commence the work as per the time indicated in the Letter of Intent from BHEL and shall proceed with the same with due expedition without delay.
- 2.5.2 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.
- 2.5.3 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 e mode only, unless otherwise found operationally difficult for reasons to be recorded in writing.
- 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
- 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 on the differential cost at 5%, over and above the Liquidated damages/penalties arising out of "Risk & Cost" as explained above under SI.No. 2.7.2. BHEL shall recover the amount from any money due from Contractor, or 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 5% on all such payments along with interest as defined elsewhere in the GCC.

2.7.6 While every endeavour 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 de mobilize forthwith and re mobilize at an agreed future date. Cost of such demobilization/remobilization shall be mutually agreed. ORC 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 in following cases:

- a) The balance works (including but not limited to Trial Operation, PG Test, etc) are minor vis a vis the scope of work envisaged as per the contract.
- b) There has been no significant work in past 6 months OR no significant work is expected in next 6 months (example in Hydro projects or in projects where work has stopped due to reasons beyond the control of BHEL)
- c) The balance works cannot be done within a reasonable period of time as they are dependent on unit shutdown or on other facilities of customer or any other reasons not attributable to the contractor

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 (or estimated value of services to be provided for carrying out milestone/stage payments like Trial Operation/PG Test, etc) as mutually agreed, shall however be reduced from the final contract value.

2.7.9 **LIQUIDATED DAMAGES/PENALTY**

If the contractor fails to maintain the required progress of work which results in delay in the completion of the work as per the contractual completion period, BHEL shall have the right to impose Liquidated Damage/Penalty at the rate of 0.5% of the contract value, per week of delay or part thereof subject to a maximum of 10% of the contract value. For this purpose, the period of delay shall be the delay attributable to the Contractor for the completion of work as per contract. Contract Value for this purpose, shall be the final executed value exclusive of ORC, Extra Works executed on Manday rate basis, Supplementary/Additional Items and PVC.

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 As far as possible, Unskilled Workers shall be engaged from the local areas in which the work is being executed.
- 2.8.2 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.
- 2.8.3 The contractor shall comply with all applicable State and Central Laws, Statutory Rules, Regulations etc. such as Payment of Wages Act, Minimum Wages Act, Workmen Compensation Act, Employer's Liability Act, Industrial Disputes Act, Employers Provident Act, Employees State Insurance Scheme, Contract Labour (Regulation and Abolition) Act 1970, Payment of Bonus & Gratuity Act and other Acts, Rules and Regulations 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.
- 2.8.4 The contractor shall obtain independent License under the Contract Labour (Regulations and Abolition Act, 1970) as required from the concerned Authorities based on the certificate (Form-V) issued by the Principal Employer/Customer
- 2.8.5 The contractor shall pay all taxes, fees, license charges, deposits, duties, tolls, royalties, commission or other charges which may be leviable on account of his operations in executing the contract.
- 2.8.6 While BHEL would pay the inspection fees and Registration fees of Boiler/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.
- 2.8.7 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.
- 2.8.8 The contractor shall be responsible for proper accommodation including adequate medical facilities for personnel employed by him.
- 2.8.9 The contractor shall be responsible for the proper behavior and observance of all regulations by the staff employed by him.
- 2.8.10 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.

- 2.8.11 All the properties/equipments/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.
- 2.8.12 The contractor shall use such properties for the purpose of execution of this contract. All such properties/equipments/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
- 2.8.13 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
- 2.8.14 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.
- 2.8.15 The contractor shall arrange, coordinate his work in such a manner as to cause no hindrance to other agencies working in the same premises.
- 2.8.16 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
- 2.8.17 The contractor will be directly responsible for payment of wages to his workmen. 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, if so called for.
- 2.8.18 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.

- 2.8.19 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.
- 2.8.20 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.
- 2.8.21 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
- 2.8.22 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.
- 2.8.23 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.
- 2.8.24 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.

2.9 ~~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 monthwise 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~~
- ~~2.9.4 Performance of the Contractor shall be assessed as per prescribed formats and shall form the~~

~~basis for 'Annual/Overall Performance Evaluation' of the Contractor and also for 'Assessment of Capacity of Bidder' for Tenders where the Contractor is a bidder. BHEL reserves the right to revise the evaluation formats during the course of execution of the works~~

2.10 TIME OF COMPLETION

- 2.10.1 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**~~

- ~~2.12.1 Over Run Compensation (ORC) is payable for works done during the extension period, 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 The amount of increase payable per month due to rate revisions is subject to a minimum of Rs~~

~~1,00,000/- per month and a maximum of Rs 10,00,000/- per month.~~

~~2.12.4 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~~

~~2.12.5 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 as per clause 2.12.3 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 as per clause 2.12.3, 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 Manday rate basis~~

~~2.12.6 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 INTEREST BEARING RECOVERABLE ADVANCES~~

~~2.13.1 Normally no advance is payable to the contractor. However, advance payment in exceptional circumstances shall be interest bearing and secured through a Bank Guarantee and shall be limited to a maximum of 5% of contract value. This 'Interest Bearing Recoverable Advance' shall be payable in not less than two installments with any of the installment not exceeding 60% of the total eligible advance.~~

~~2.13.2 In exceptional circumstances, with due justification, Competent Authority of BHEL is empowered to approve proposals for payment of additional interim interest bearing advance against Bank Guarantee, for resource augmentation towards expediting work for project implementation.~~

~~2.13.3 Bank Guarantee towards 'Interest Bearing Recoverable Advance' shall be atleast 110% of the advance so as to enable recovery of not only principle amount but also the interest portion, if so required.~~

~~2.13.4 Contractor shall establish the utilization of advance drawn before the release of next installment.~~

~~2.13.5 Payment and recovery of Interest Bearing Recoverable advance shall be at the sole discretion of BHEL and shall not be a subject matter of arbitration.~~

~~2.13.6 The rate of interest applicable for the above advances shall be the prime lending rate of State Bank of India prevailing at the time of disbursement of the advance + 2%, and such rate will remain fixed till the total advance amount is recovered~~

~~2.13.7 Unadjusted amount of advances paid shall not exceed 5% of the total contract value at any point of time. Recovery of advances shall be made progressively from each Running Bill such that the advance amounts paid along with the interest is fully recovered by the time the contractor's billing reaches 80% of contract value.~~

~~2.13.8 Recovery rate per month shall be the sum of:~~

- a. ~~Not less than 10% of Running Bill amount~~
- b. ~~Simple interest up to the date of RA Bill on the outstanding Principle amount/amounts~~

~~2.13.9 Contractor to submit Bank Guarantee as per prescribed formats for each of the advance and shall be valid for at least one year or the recovery duration or the balance contract period which ever is later. In case the recovery of dues does not get completed within the aforesaid BG period, the contractor shall renew the BG or submit fresh BG for the outstanding amount and the remaining recovery period.~~

~~2.13.10 BHEL is entitled to make recovery of the entire outstanding amount in case the contractor fails to comply with the BG requirement~~

~~2.14~~ **QUANTITY VARIATION**

~~2.14.1 The quoted rates shall remain firm irrespective of any variations in the individual quantities. No compensation becomes payable in case the variation of the final executed contract value is within the limits of Plus (+) or Minus (-) 15% of awarded contract value~~

~~2.14.2 Compensation due to variation of final executed value in excess of the limits defined in clause above, shall be as follows:~~

- ~~i) In case the finally executed contract value reduces below the lower limit of Contract Value due to quantity variation specified above, the contractor will be eligible for compensation @ 15% of the difference between the lower limit of the contract value and the actual executed value.~~
- ~~ii) In case the finally executed contract value increases above the upper limit of Contract Value due to quantity variation specified above, there will be no revision in the rates within the contract period.~~

~~2.15~~ **EXTRA WORKS**

~~2.15.1 All rectifications/modifications, revamping, and reworks required for any reasons not due to the fault of the contractor, or needed due to any change in deviation from drawings and design of equipments, 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.~~

~~2.15.2 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.~~

~~2.15.3 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.~~

~~2.15.4 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~~

~~2.15.5 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 at Rs 60/- per man hour.~~

~~2.15.6 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.~~

~~2.15.7 **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 CPWD DSR 2007 (or latest edition) with applicable escalation derived from All India Consumer price Index for Whole Sale Commodities, OR, Notification issued by the office of CPWD for 'Cost Index' in that Region where the project is being executed, whichever is less~~
 - ~~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.~~

2.16 SUPPLEMENTARY ITEMS

2.16.1 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

2.16.2 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 2.15.7
- 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 2.14
- 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.

2.17 PRICE VARIATION COMPENSATION

2.17.1 In order to take care of variation in cost of execution of work on either side, due to variation in the index of LABOUR, HIGH SPEED DIESEL OIL, WELDING ROD, CEMENT, STEEL, MATERIALS, Price Variation Formula as described herein shall be applicable

2.17.2 85% component of Contract Value shall be permitted to be adjusted for variation in various relevant indices during execution of work. The remaining 15% shall be treated as fixed component

2.17.3 The basis for calculation of price variation in each category, their component, Base Index, shall be as under:

| SL NO. | CATEGORY | BASE INDEX | COMPONENT ('K') | | | | |
|--------|---|---|------------------------------------|-----|----|---------------------|--|
| | | | CIVIL PACKAGES (See Note A/B/C) | | | MECHANICAL PACKAGES | LABOUR ORIENTED PACKAGES (See Note D) |
| | | | A | B** | C | | |
| i) | LABOUR (ALL CATEGORIES) | 'MONTHLY ALL INDIA AVERAGE CONSUMER PRICE INDEX NUMBERS FOR INDUSTRIAL WORKERS' published by Labour Bureau, Ministry of Labour and Employment, Government of India. (Website: labourbureau.nic.in) | 40 | 25 | 30 | 65 | 80 |
| ii) | HIGH SPEED DIESEL OIL | Name of Commodity : HSD OIL. Type : INDIVIDUAL COMMODITY (See Note F) | 5 | 3 | 5 | 5 | 5 |
| iii) | WELDING ROD | Name of Commodity : WELDING ROD. Type : INDIVIDUAL COMMODITY (See Note F) | | | | 15 | |
| iv) | CEMENT | Name of Commodity : GREY CEMENT Type : INDIVIDUAL COMMODITY (See Note F) | | 20 | 30 | | |
| v) | STEEL (Structural and Reinforcement Steel) | Name of Commodity : a1. IRON & SEMIS Type : GROUP ITEM (See Note F) | | 25 | | | |
| vi) | MATERIALS (Other than Cement & Steel) | Name of Commodity : ALL COMMODITIES Type : GROUP ITEM (See Note F) | 40 | 12 | 20 | | |

Note: A) Cement & Steel : Free Issue (BHEL Scope)

B) Cement & Steel : In Contractor Scope (**, unless otherwise specified in Special Conditions of Contract (SCC).)

C) Cement in Contractor Scope, and Steel is Free Issue (BHEL Scope)

D) Predominantly 'Labour Oriented' packages including Material Handling & Management, Insulation, Painting, Electrical and CI or a combination thereof, which are separately tendered and awarded

E) For Composite packages (i.e. Civil+Mechanical+Electrical/CI or Civil+Mechanical or Mechanical+Electrical/CI), the components for various categories shall be as per respective packages

F) As per the 'MONTHLY WHOLE SALE PRICE INDEX' for the respective Commodity and Type, published by Office of Economic Adviser, Ministry of Commerce and Industry, Government of India. (Website : www.eaindustry.nic.in). Revisions in the index or commodity will be re adjusted accordingly.

2.17.4 Payment/recovery due to variation in index shall be determined on the basis of the following

~~notional formula without any initial absorption, in respect of the identified components viz LABOUR, HIGH SPEED DIESEL OIL, WELDING ROD, CEMENT, STEEL, MATERIALS~~

$$P = K \times R \times \frac{(X_N - X_0)}{X_0}$$

~~Where~~

~~P = Amount to be paid/recovered due to variation in the Index for Labour, High Speed Diesel Oil, Welding Rod, Cement, Steel and Materials~~

~~K = Percentage component applicable for Labour, High Speed Diesel Oil, Welding Rod, Cement, Steel and Materials~~

~~R = Value of work done for the billing month (Excluding Taxes and Duties if payable extra)~~

~~XN = Revised Index No for Labour, High Speed Diesel Oil, Welding Rod, Cement, Steel and Materials for the billing month under consideration~~

~~Xo = Index no for Labour, High Speed Diesel Oil, Welding Rod, Cement, Steel and Materials as on the Base date.~~

~~2.17.5 Base date shall be calendar month of the latest date of submission of Tender.~~

~~2.17.6 PVC shall not be payable for the ORC amount, Supplementary/Additional Items, Extra works.~~

~~2.17.7 The contractor shall furnish necessary monthly bulletins for the necessary indices from the relevant websites along with his Bills.~~

~~2.17.8 The contractor will be required to raise the bills for price variation payments on a monthly basis along with the running bills irrespective of the fact whether any increase/decrease in the index for relevant categories has taken place or not. In case there is delay in publication of bulletins (final figure), the provisional values as published can be considered for payments and arrears shall be paid/recovered on getting the final values.~~

~~2.17.9 PVC shall be applicable for the entire original contract period plus the extended period. However the Total Quantum of Price Variation amount payable/recoverable shall be regulated as follows:~~

- ~~i) For the portion of backlog attributable to the contractor, the PVC will be based on the average of the indices for the period of the original contract period.~~
- ~~ii) For the period of Force Majeure, the PVC will be limited to the indices applicable at the beginning of the force majeure period.~~
- ~~iii) For the portion of backlog attributable to BHEL, the PVC will be as per the indices applicable for the respective months~~
- ~~iv) The total amount of PVC shall not exceed 20% of the cumulatively executed contract value. Executed contract value for this purpose is exclusive of PVC, ORC, Supplementary/Additional Items and Extra works.~~

2.18 INSURANCE

2.18.1 BHEL/their customer shall arrange for insuring the materials/properties of BHEL/customer covering the risks during transit, storage, erection and commissioning.

2.18.2 It is the sole responsibility of the contractor to insure his materials, equipments, workmen, etc. against accidents and injury while at work and to pay compensation, if any, to workmen as per Workmen's compensation Act. The work will be carried out in a protected area and all the rules and regulations of the client /BHEL in the area of project which are in force from time to time will have to be followed by the contractor.

2.18.3 If due to negligence and or non-observation of safety and other precautions by the contractors, any accident/injury occurs to the property / manpower belong to third party, the contractor shall have to pay necessary compensation and other expense, if so decided by the appropriate authorities.

2.18.4 The contractor will take necessary precautions and due care to protect the material, while in his custody from any damage/ loss due to theft or otherwise till the same is taken over by BHEL or customer. For lodging / processing of insurance claim the contractor will submit necessary documents. BHEL will recover the loss including the deductible franchise from the contractor, in case the damage / loss is due to carelessness / negligence on the part of the contractor. In case of any theft of material under contractor's custody, matter shall be reported to police by the contractor immediately and copy of FIR and subsequently police investigation report shall be submitted to BHEL for taking up with insurance. However this will not relieve the contractor of his contractual obligation for the material in his custody.

2.19 **STRIKES & LOCKOUT**

2.19.1 The contractor will be fully responsible for all disputes and other issues connected with his labour. In the event of the contractor's labour resorting to strike or the Contractor resorting to lockout and if the strike or lockout declared is not settled within a period of one month, BHEL shall have the right to get the work executed through any other agencies and the cost so incurred by BHEL shall be deducted from the Contractor's bills.

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

2.20 **FORCE MAJEURE**

The following shall amount to Force Majeure:-

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

2.20.2 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.

2.21 **ARBITRATION & RECONCILIATION**

2.21.1 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(Region).

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 re enactments 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

2.21.2 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.

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

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

2.22 RETENTION AMOUNT

2.22.1 Retention Amount shall be 5% of executed contract value and shall be recovered at the rate of 5% from each Running Bill admitted, including PVC Bills.

2.22.2 Refund of Retention Amount shall be as follows:

- i) 50% of retention amount along with 'Final Bill'
- ii) Balance 50% of retention amount shall be retained towards 'Performance Guarantee for Workmanship' and shall become refundable after expiry of Guarantee period, provided all the defects noticed during the guarantee period have been rectified to the satisfaction of BHEL Site Engineer/BHEL Construction Manager, and after deducting all expenses/other amounts due to BHEL under the contract/other contracts entered into by BHEL with them. This portion of the retention amount can be released on commencement of the Guarantee period, on submission of equivalent Bank Guarantee.

2.23 PAYMENTS

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

2.23.1 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
- 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

2.23.2 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

2.24 PERFORMANCE GUARANTEE FOR WORKMANSHIP

2.24.1 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 twelve months from the date of commencement of guarantee period as defined in Special 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 Guarantee money.

2.24.2 BHEL shall release the guarantee money 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.

2.25 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.

| | |
|--------|--|
| 2.26 | REVERSE AUCTION: BHEL reserves the right to go for Reverse Auction for Price Bid Opening by BHEL appointed service provider, instead of opening the submitted sealed price bid in the conventional way. The Business Rules for Reverse Auction shall be as per BHEL guidelines issued from time to time. |
| 2.27 | 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. |
| 2.28 | OTHER ISSUES |
| 2.28.1 | Value of Non judicial Stamp Paper for Bank Guarantees and for Contract Agreement shall be not less than Rs 100/- unless otherwise required under relevant statutes. |
| 2.28.2 | 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. |
| 2.28.3 | Unless otherwise specified in NIT, offers from consortium/JVs shall not be considered. |
| 2.28.4 | BHEL may not insist for signing of Contract Agreements in respect of low value and short time period contracts like providing services for Hot water flushing, Chemical Cleaning, Transportation, etc |