

**BHARAT HEAVY ELECTRICALS LIMITED**

**NO. BHEL :M&S: PSA: 002/2013-14**

**TENDER SPECIFICATION**

**NO. BHEL: M&S: PSA: 002/2013-14**

**FOR**

**Supply of Electric Power to BHEL Trichy through TNEB 110KV Grid  
by Third party sale under Intra State Short term open access on 24 hours basis(RTC)**

**BHARAT HEAVY ELECTRICALS LIMITED**

(A Government of India Undertaking)

**Maintenance & Services**

**TIRUCHIRAPPALLI – 620 014**

**TAMIL NADU**

**M&S - BHEL Trichy**

**BHARAT HEAVY ELECTRICALS LIMITED**

NO. BHEL :M&amp;S: PSA: 002/2013-14

31-01-2014

**TENDER SPECIFICATION****Name of the work:**

Supply of Electric Power to BHEL Trichy through TNEB 110KV Grid by Third party sale under Intra State Short term open access after honouring the existing commits to TANGENDCO of 3000 KVA (power requirement will vary from 1500KVA to 3000 KVA) Capacity on 24 Hours basis from the date of inception.

Project Plant :BHEL Trichy – 110KV Substation.  
Quantity of Power :As per general electricity board norms (TNERC).  
Period of Contract :28.02.2014 – 27.08.2014

Address to which the tender has to be submitted : SDGM / M&S  
Bharat Heavy Electricals Limited  
TIRUCHIRAPALLI - 620 014

For Contact:

E-mail id :[mohans@bheltry.co.in](mailto:mohans@bheltry.co.in),[paul@bheltry.co.in](mailto:paul@bheltry.co.in),[vasugi@bheltry.co.in](mailto:vasugi@bheltry.co.in)

Phone No. :9443195541,9442626239, 9488633280

**Last date and time for submission of tender: 10.02.2014, 14:00Hrs****Last date and time for opening of tender : 10.02.2014, 14:30Hrs****M&S - BHEL Trichy**

## **BHARAT HEAVY ELECTRICALS LIMITED**

**NO. BHEL :M&S: PSA: 002/2013-14**

Tender shall be submitted in two parts (Technical cum commercial part & Price bid separately). The bid shall be only in sealed cover through speed post or direct or any other faster means. Delayed & Late offer will not be considered. The Technical cum commercial bid will be opened in the presence of tenderer. Only the authorized representatives of the bids / tenderers are allowed to represent.

The tenderer should sign with company rubber stamp on each page of this tender document to be submitted back to this office on or before the above record submission time and date with relevant column filled / with declaration letter as per the scope of the contractor.

-Sd-

**SR.DGM / M&S**

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

### TECHNICAL CUM COMMERCIAL BID PART- A :PRE- QUALIFICATION CRITERIA

[The BIDDER is expected to give complete details against each clause in the table given below and wherever necessary an additional sheet may be attached (giving clear reference number) to cover the required details]

#### **SECTION – I – ASSESSMENT**

The BIDDER / VENDOR has to necessarily provide the following details, for making an assessment of the firm's capability and competency:

<b>S. No.</b>	<b>PARTICULARS</b>	<b>VENDOR'S RESPONSE</b>
<b>1.0</b>	Number of Years of Experience of the BIDDER/ VENDOR in the field Electric power Generation/Electric power trade through TNEB Grid.	
<b>2.0</b>	Number of customer to whom Third party power Supplied So far.	
<b>3.0</b>	YEAR of LAUCNH of the Power Generation/Power Trade Business.	
<b>4.0</b>	Any Additional Data to supplement the Electric Power Generation/Electricity trade capability of the BIDDER for the subject shall be provided.  Electricity Traders shall provide the documentary evidence indicating their tie-up with generator(s) for assessment.	
<b>5.0</b>	The reference List of Customers shall be accompanied with the details (Phone Number /E-Mail ID) of the CONTACT PERSON for cross reference by BHEL.	

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

### SECTION – II – MANDATORY REQUIREMENTS

The BIDDER / VENDOR has to compulsorily meet all the following requirements to get qualified for submitting an offer for the SUPPLY OF Electric Power to BHEL Trichy through TNEB 110KV Grid. Failing which the BIDDER / VENDOR offer will not be considered.

S. No.	REQUIREMENTS	VENDOR's COMMENTS
<b>6.0</b>	The BIDDER / VENDOR shall be a Power generator/ Electricity trader and should necessarily comply with TNERC Intra state open access regulations 2005 and subsequent amendments.	
<b>7.0</b>	In case of Power generator the BIDDER / VENDOR should possess valid short term open access approval for third party sale.  In case of Electricity traders the BIDDER / VENDOR should possess valid licence for Inter/Intra state trading.  The BIDDER / VENDOR should necessarily attach documents supporting the above as applicable.	
<b>8.0</b>	The BIDDER / VENDOR shall supply power to BHEL only from Power generation plant(s) located in Tamilnadu.  The Power generator/ Electricity trader should necessarily indicate the probable name(s) of the generating plant(s) with capacity, from whom they intent to supply to BHEL.	
<b>9.0</b>	The BIDDER / VENDOR shall submit Integrity pact document duly signed by authorized signatory who signs the bid and the same shall be enclosed in the techno- commercial bid. Independent External Monitor (IEM) identified for Integrity Pact <b>Shri J M Lyngdoh, IAS (Retd)</b> The format of the Integrity pact is attached as <b>Annexure -B</b> for your information.	

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

### SECTION – III

The BIDDER / VENDOR has to comply with the following, for accepting the Technical Offer for scrutiny by the Purchaser:

S.No.	REQUIREMENTS	VENDOR'S COMPLIANCE
<b>10.0</b>	The BIDDER / VENDOR shall submit the offer in TWO PARTS - Technical cum commercial bid <b>[PART A &amp; PART B]</b> and Price Bid <b>[PART C]</b>	
<b>11.0</b>	<p>The BIDDER / VENDOR shall ensure the following before submitting their bid</p> <p>The tenderer should sign with company rubber stamp on each page of this tender document</p> <p><b>Cover 1</b> – Shall contain duly filled in Technical cum commercial bid <b>[PART A &amp; PART B]</b></p> <p><b>Cover-2</b> - Shall contain duly filled in Price Bid <b>[PART C]</b></p> <p>Cover 1 &amp; Cover 2 shall be kept together in a single cover for submission. The BIDDER / VENDOR are requested to mention NIT no &amp; Tender Ref no. in all the covers.</p>	
<b>12.0</b>	The Offer shall contain a comparative statement of Technical Specifications given by BHEL and the Offer Details submitted by the Bidder, against each clause. The BIDDER / VENDOR should provide necessary details against each clause with relevant attachments (if any)	

## BHARAT HEAVY ELECTRICALS LIMITED

NO. BHEL :M&S: PSA: 002/2013-14

### PART B : TECHNICAL SPECIFICATIONS

S. No.	BHEL SPECIFICATIONS	Bidder's OFFER [With Complete Technical Details]
<b>1.0</b>	<p><b>Purpose</b></p> <p>A) BHEL Trichy is in need of Electric Power supply through TNEB 110KV 3Ø Grid (SLDC) at BHEL 110KV SS (SC NO-12).</p> <p>B) Bidder shall feed the required power in Feeder of TNEB Grid for effecting supply to BHEL as per agreement.</p>	
<b>2.0</b>	<p><b>SPECIFICATIONS- Compliance</b></p>	
2.1	<p><b>Voltage Connectivity:</b> 110 KV ( TNEB 110KV 3Ø Grid (SLDC) at BHEL 110KV SS (SC NO-12))</p> <p><b>Status of Connectivity:</b> Independent feeder from TNEB</p>	
<b>3.0</b>	<p><b>Specification of Power to be supplied:</b></p>	
3.1.a	<p>ROUND THE CLOCK 24 Hours Supply 3000 KVA* 24 Hours * 30 Days at BHEL TRICHY –SC No. : 12. However depending upon the requirement of power, BHEL may effect increase or decrease the contracted Third party demand.</p>	
3.1.b	<ul style="list-style-type: none"> <li>• 28.02.2014 to 27.04.2014 (Two months) the quantum of power is fixed at 1500 KVA.</li> <li>• Beyond 27.04.2014, the power requirement will vary from 1500KVA to 3000 KVA. (in steps of 500KVA, i.e. 1500 KVA,2000 KVA,2500 KVA or 3000 KVA )</li> </ul> <p>The BIDDER/VENDOR has to confirm for the above.</p>	

**M&S - BHEL Trichy**

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

<b>S. No.</b>	<b>BHEL SPECIFICATIONS</b>	<b>Bidder's OFFER [With Complete Technical Details]</b>
3.2	<p><b>Power supply cost</b> Cost per unit shall be Rs. _____ Per unit. Inclusive of Wheeling charges, scheduling charges, transmission charges, line losses E-Tax &amp; transmission losses, the detailed break up of which shall be mentioned in the Invoice to be submitted for bill processing duly signed by Substation Engineer / in-charge to Planning section of M&amp;S, BHEL &amp; to be processed to BHEL accounts for payment processing.</p>	<p>Remark: In the technical bid, Do not indicate price quoted. Price Shall be quoted only in Price bid in Sealed cover.</p>
3.3	<p>The proposed Contract is for the period of 6 Months from 28.02.2014. The Bidder shall take care of pricing accordingly. The Price Variation clause is strictly not applicable on any account during entire period of contract. The Bidder shall take care of market fluctuation and tax/duties if any. However depending upon power requirement the period may be extended further for a period of three months.</p>	
3.4	<p>During operation of contract, depending upon the requirement of power, BHEL may effect increase or decrease the contracted Third party demand in the margin of 1500KVA to 3000KVA. The effective date for MD change is as per prevailing norms of TANGEDCO billing period. The same will be intimated before initiating monthly NOC.</p>	
3.5	<p>Bidder shall confirm the delivery of the power at BHEL TRICHY –SC No. : 12 on 28.02.2014. 00.00 Hrs onwards in case of offer acceptance and order placement.</p>	
<b>4.0</b>	<b>Terms &amp; Conditions</b>	
4.1	<p>This Agreement shall be considered as a Power Sales Agreement signed between Bidder &amp; BHEL which will contain the entire terms and conditions of transactions. You are required to sign the Agreement for the contracted period</p>	
4.2	<p>In case BHEL wish to terminate the contract in future due to positive development of power supply through TANGEDCO for BHEL, BHEL shall have the right to short close the contract with the advance notice of a month.</p>	

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

<b>S. No.</b>	<b>BHEL SPECIFICATIONS</b>	<b>Bidder's OFFER [With Complete Technical Details]</b>
5.0	<b>Payments:</b>	
5.1	<p>Payments shall be done as per BHEL terms and condition. However, BHEL shall not make any advance for effecting the power supply. Monthly, invoice &amp; bill in triplicate shall be raised for effecting <b>the previous month's payment on the basis of Meter</b> reading agreed mutually in line with TANGEDCO compliance. BHEL shall make payment within 7 working days from the date of submission of invoice.</p> <p>Payments shall be effected subjected to the submission of Bank Guarantee by the bidder as detailed in clause 5.2.</p>	
5.2	<p>The Bidder shall provide BHEL a Bank Guarantee for 1% of the total contract value for the satisfactory execution and completion of supply as per the terms and conditions of the said contract and as per the norms of BHEL practice.</p> <p>The Bank guarantee shall be furnished as per the enclosed format <b>(Annexure A)</b>.</p>	
<b>6.0</b>	<b>Documentation:</b>	
6.1	<p>On-behalf of BHEL, bidder shall submit in the name of BHEL, an undertaking abiding the terms and conditions in a stamp paper to the Superintending Engineer/Electricity Distribution Circle concerned with a payment of short term agreement fees of Rs 10,000/-. Short term agreement shall be valid for one year as per TNERC intra state open access Regulation 2005 and hence the agreement has to be renewed on payment of Rs 10,000/ for every year. The initial expenditure incurred towards agreement fee will be reimbursed by BHEL to contractor. However in case the bidder changes the generating plant of supply during the period of contract, the agreement fee has to be borne by the contractor and will not be reimbursed by BHEL.</p>	

## BHARAT HEAVY ELECTRICALS LIMITED

**NO. BHEL :M&S: PSA: 002/2013-14**

<b>S. No.</b>	<b>BHEL SPECIFICATIONS</b>	<b>Bidder's OFFER [With Complete Technical Details]</b>
6.2	On-behalf of BHEL, bidder shall submit DD for Rs 1000/- to be drawn in name of – TAN TRANSCO COLLECTION ACCOUNT. (This DD to be submitted every month before 14th of the calendar month along with FORM I & II, to TNEB, as these documents are necessary for every month) along with necessary forms. The expenditure incurred will be reimbursed by BHEL to contractor.	
<b>7.0</b>	<b>Termination &amp; Penalty:</b>	
7.1	In case, the contractor does not generate & supply the Contract quantity of power for BHEL, during scheduled outages period, the Contractor Shall make necessary arrangement to substitute power from an alternate source without interruption. However in case of unscheduled outages, the contractor shall inform the same to BHEL concern immediately and shall make necessary arrangement to substitute power within 48 hours.	
7.2	If the contractor shall not substitute an alternate supply as per clause 7.1, BHEL will make their own arrangement for power by running DG sets. The current rate is Rs. 21/per unit. For any increase/decrease in diesel price, the cost per unit will be charged on pro-rata basis. The additional expenditure incurred for the Third party contracted demand during the said period will be deducted from the subsequent billed/invoiced amount.	
7.3	Scheduled or Unscheduled outages in hours will be compensated in overall monthly energy injection in the grid in concurrence with TANGEDCO. However this shall not affect BHEL power availability at any time. The Bidder shall declare the same accordingly while quoting.	
7.4	Contractor will not be penalized, if Power is not consumed due to Tamilnadu Grid failure or BHELs own problem.	

**BHARAT HEAVY ELECTRICALS LIMITED**

NO. BHEL :M&amp;S: PSA: 002/2013-14

<b>S. No.</b>	<b>BHEL SPECIFICATIONS</b>	<b>Bidder's OFFER [With Complete Technical Details]</b>
7.5	Alternative source of supply shall be arranged by the contractor. Contractors shall indicate the alternate source of power in the quote with the capacity and availability as a back-up arrangement	
<b>8.0</b>	<b>Disputes:</b>	
8.1	The contractor shall take up any Energy accounting and reconciliations penal measures and any disputes arising with regard to the contractor in the above shall be sorted out and resolved by the contractor with TANGEDCO and related competent authority.	

**BHARAT HEAVY ELECTRICALS LIMITED**

NO. BHEL :M&amp;S: PSA: 002/2013-14

**PART –C****PRICE BID****Supply of electric power to BHEL, Trichy through  
TNEB 110 KV Grid**Ref. : 1. **NO. BHEL : M&S: PSA: 002/2013-14 , Dt : 31.01.2014****Rate schedule**

<b>Sl.No.</b>	<b>Specification</b>	<b>Unit</b>	<b>Rate in Rupees (Rate in figure)</b>
<b>1.0</b>	<b>Power supply cost Cost per unit shall be inclusive of the wheeling charges, scheduling charges, transmission charges, E-tax, transmission losses and other charges as applicable.</b>	<b>Cost per unit</b>	

**Signature of contractor with Seal & Date****M&S - BHEL Trichy**

Annexure- A

BANK GUARANTEE

1. THIS DEED OF GUARANTEE made this..... day of ..... (month) .....(year) By .....( Bank ,s full address) in favour of M/s Bharat Heavy Electricals Limited, Unit : Thiruverumbur, Tiruchirapalli 620 014, having its Registered Head Office at BHEL House, Siri Fort , New Delhi 110049.
2. WHEREAS M/s Bharat Heavy Electricals Limited, High Pressure Boiler Plant, Thiruverumbur, Tiruchirapalli-620 014, Tamil Nadu, India having its Registered Office at BHEL House, Siri Fort, New Delhi-110 049 (Hereinafter called as "COMPANY") have placed supply orders for supply of Electric Power to BHEL, Trichy through TNEB 110 KV Grid by firm power generation within Tamil Nadu under Intra State Short Term open access vide BHEL PO No: ..... and other agreements related thereto (hereinafter called the "CONTRACT") on ..... (Hereinafter called as "CONTRACTOR")
3. AND WHEREAS one of the conditions for placing such contract is that the Contractor shall provide the Company a Bank Guarantee for Rs. ....-/- in lieu of cash for upto .....(date) for the satisfactory execution and completion of supply as per the terms and conditions of the said contract.
4. AND WHEREAS the Contractor has Approached the .....(Bank name) and at their request and in consideration of the arrangement arrived at between the said Company and the said Bank.
5. We .....(Bank Name), do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a written demand from the Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said Contractor of any of the terms and conditions contained in the said Agreement or by the reason of the contractor ,failure to perform" the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs.....-/-
6. We undertake to pay unconditionally to the Company any money so demanded notwithstanding any dispute(s) raised by the Contractor in any suit, or proceedings pending before any Court or Tribunal or Arbitration or before any other authority relating thereto our liability under this present being absolute and unequivocal. The payment under this guarantee would not wait till the disputes have been decided by any Court or Tribunal or in the arbitration proceedings or by any other authority. The payment so made by us under this Bond shall be a valid discharge of liability for payment thereunder and the Contractor(s) shall have no claim against us for making such payment.

7. We.....( indicate the name of Bank), further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till Maintenance & Services Department of the Company certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Contractor and accordingly discharges this guarantee.
8. i) Unless a demand or claim under this guarantee is made on us in writing on or before the ..... we shall be discharged from all the liability under this guarantee thereafter. But where such claim or demand has been preferred by the Company with the Bank before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date.  
ii) For the purpose of this clause, any letter making demand on the Bank by M/s. BHEL dispatched by Registered Post with Ack. Due or by Telegram or by any Electronic media addressed to the above mentioned address of the Bank shall be deemed to be the claim / demand in writing referred to above irrespective of the fact as to whether and when the said letter reaches the Bank, as also any letter containing the said demand or claim is lodged with the bank personally.
9. We .....(indicate the name of Bank), further agree with the company that the Company shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said Contractor from time to time or to postpone for any time or from time to time any of the powers exercisable by the Company against the said Contractor and to forbear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by any reason of any such variation or extension being granted to the said Contractor or for any forbearance, act or omission on the part of the company or any indulgence by the company to the said Contractor or by any such matter or thing whatsoever which under the law relating would but for this provision have effect of not so relieving us.
10. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor.
11. It shall not be necessary for the company to proceed against the contractor before proceeding against the guarantor-bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the company may have obtained or obtain from the Contractor shall, at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealised.
12. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Tiruchirapalli

13. The guarantor hereby declare that it has power to execute this guarantee and the executant has full powers to do so on its behalf under the proper authorities granted to him/them by the guarantor.

14. Notwithstanding anything said above

- a. Our liability under this guarantee is limited to Rs...../- (Rupees ..... only)
- b. Our guarantee/shall be valid up to .....
- c. We shall be liable to pay any amount under this bank guarantee or part thereof only & only if we receive a written claim or demand under this guarantee on or before .....
- d. Thereafter all your rights under this guarantee shall be forfeited and we shall be relieved and discharged from all our liabilities hereunder irrespective of whether the guarantee in original is returned back to us or not.

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

In witness whereof we....., (indicate the name of Bank) have hereunto set out Bank Seal the \_\_\_\_day \_\_\_\_\_month 20\_\_

Bank Phone No.

Bank e-mail ID

Bank FAX No

**ANNEXURE – B**

**INTEGRITY PACT**

**Between**

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

**and**

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

**Preamble**

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

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

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

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

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

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

- 2.1 The Bidder(s)/ Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
- 2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or to any of the Principal's employees involved

in the tender process or the execution of the contract or to any third person any material, immaterial or any other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

- 2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal offence under the relevant IPC/ PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 2.1.4 The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

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

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

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

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

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

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

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

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

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

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

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

- 8.1 The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

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

Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

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

8.10 The word 'Monitor' would include both singular and plural.

### **Section 9 – Pact Duration**

9.1 This Pact begins and shall be binding on and from the submission of bid(s) by bidder(s). It expires for the Contractor 12 months after the last payment under the respective contract and for all other Bidders 6 months after the contract has been awarded.

9.2 If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified as above, unless it is discharged/ determined by the CMD, BHEL.

### **Section 10 – Other Provisions**

10.1 This agreement is subject to Indian Laws and jurisdiction shall be registered office of the Principal, i.e. New Delhi.

10.2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

10.3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

10.4 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

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

-----

For & On behalf of the Principal

(Office Seal)

-----

For & On behalf of the Bidder/ Contractor

(Office Seal)

Place-----

Date-----

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

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

\_\_\_\_\_

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

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

\_\_\_\_\_