

Bidding Document
for
Hiring of EME for Chunaikhola Dolomite Mine;
Phuntshopelri Gewog, Samtse



Bid No. SMCL/PROC-2/2020/tender-01 dated 6th of October, 2020

SECTION I: LETTER OF INVITATION

- 1) State Mining Corporation Limited (SMCL), Samtse invites sealed bid from licensed and eligible Hiring Agents or Contractors for the following scope of work:

“Hiring of Earth Moving Equipment (excavators, rock breaker & pay loader/wheel loader) for excavation of dolomite/ removal of overburden, loading etc. The site is located at Chunaikhola, Phuntshapelri Gewog, Samtse (known as Chunaikhola Dolomite Mine)”

Bidders must submit a copy of valid Business License and Tax Clearance Certificate along with the sealed bid.

- 2) A complete set of bidding document can be downloaded free of cost from www.smcl.bt starting from 6th October 2020. The bidding document should not be altered, except for those forms as may instructed otherwise. If the document is found altered, the Bid shall be considered as non-responsive. Bidders may obtain further information on the Bid Document from the Manager - Procurement, SMCL, DGM Building, Gurung Basti, Samtse at telephone no. +975 -05 – 365887/85/86/17743273 during office hours.
- 3) The bid must be delivered to the address given below at or before 14:00 hours on 21st October 2020 and shall be opened on the same day at 14:30 hours in presence of the Bidders or authorized representatives who choose to attend in the conference hall of SMCL Corporate Office, Samtse or through video conferencing.
- 4) The bid may be submitted in any of the following manners;
 - 4.1 Original bid document to be submitted in person or
 - 4.2 Original bid document to be submitted by registered/secured post at the cost of the bidder or
 - 4.3 Password protected electronic bid document to be submitted by e-mail or a web-based file storage. However, the bid security must be submitted by a registered/secured post at the cost of the bidder.

BID SUBMISSION ADDRESS:

**Chief Executive Officer
State Mining Corporation Limited
Post Box No. 320, Samtse, Bhutan.
Telephone No. 05-365885/86/87/17743273
Email: smcl.dhi@gmail.com**

Table of Contents

SECTION I: LETTER OF INVITATION 2

SECTION II: INSTRUCTIONS TO BIDDERS 6

1. Scope of Work 6

2. The bidders shall be cognizant of: 6

3. Fraud and Corruption 6

4. Bid Validity 7

5. Exclusion of Bidders 7

6. Contents, Clarification and Amendment of the Bid Document 7

7. Language 8

8. Financial Proposals 8

9. Taxes 8

10. Sealing & Submission of Proposals 8

CHECK LIST 9

10. Bid Security 9

11. Withdrawal of Bids 9

12. Opening of Proposals 10

13. Evaluation to be Confidential 10

14. Evaluation criteria 10

16. Negotiations 12

17. Employer’s Right 12

18. Award of Contract 12

19. Performance Security 13

SECTION III: TERMS AND CONDITIONS OF THE CONTRACT 1

1. Definitions 1

1.1 Definitions 1

1.2 Law Governing Contract 2

1.3 Language 2

1.4 Notices 2

1.5 Location 2

1.6 Authority of Member in Charge 2

1.7 Authorized Representatives 2

2. Commencement, Completion, Modification and Termination of Contract 4

2.1 Effectiveness of Contract 4

2.2 Contract Period 4

2.3	Commencement of Works	4
2.4	Expiration of Contract	4
2.5	Modifications or Variations	4
2.6	Force Majeure	5
2.7	Termination	5
3.	Obligations of the Contractor	6
3.2	Insurance to be Taken Out by the Contractor	8
3.3	Maintenance of Site Order Book	8
3.4	Contractor's Actions Requiring Employer's Prior Approval	8
3.5	Measurement of Work	8
3.6	Breakdown of machineries	8
4.	Contractor's Personnel	9
4.1	Description of Personnel	9
4.2	Facilities to the Workers	9
4.3	Removal and/or Replacement of Personnel	9
5.	Obligations of the Employer	10
5.1	Change in the Applicable Laws of Bhutan Related to Taxes and Duties	10
5.2	Services, Facilities and Property	10
6.	Payments to the Contractor	10
6.1	Payment	10
6.2	Interest on Delayed Payments	10
7.	Injury and Accident at Work Place	10
7.1	Injury and Accident at Work Place	10
8.	Mines Operation	11
8.1	Mine Operation	11
9.	Working Hours	11
9.1	Working Hours	11
10.	Penalty for breach of Performance	12
10.1	Penalty for breach of performance	12
11.	Good Faith	12
11.1	Good Faith	12
12.	Settlement of Disputes	12
12.1	Amicable Settlement	12
12.2	Dispute Resolution	12
SECTION IV: TECHNICAL SPECIFICATIONS		1
1.	Project Overview	1

2. Scope of work and specification 1

3. EME specifications..... 1

SECTION V: PRICE SCHEDULE 1

SECTION VI: INTEGRITY PACT 2

SECTION VII: FORMS..... 6

Form 1: Bidding Form 6

Form 2: Key Personnel Information..... 7

Form 3: Letter of Acceptance/Notice 8

Form 4: Bank Guarantee for Bid Security 9

Form-5: Bank Guarantee for Performance Security 10

Form-6: Contract Agreement: 11

SECTION II: INSTRUCTIONS TO BIDDERS**1. Scope of Work**

SMCL is outsourcing the Earth Moving Equipment (EME) for the operation of Chunaikhola Dolomite Mine at Pugli, Phuntshopelri Gewog, Samtse Dzongkhag. The EME, comprising of excavator with bucket and breaker, and wheel loader/pay loader with operators shall be required for following scope of work.

- Drill face preparation and bench dressing,
- Over size breaking of dolomite boulders,
- Excavation and loading of dolomite and OB/mine waste from production and development face,
- Loading of dolomite from stockyard for sales dispatch and material handling and the miscellaneous work at stockyard,
- Construction of approach road, access road, drainages and ramps, backfilling of pits, preparation of sites for of gabion walls construction, OB dump yard management and for use in other mining related activities as assigned by SMCL.

2. The bidders shall be cognizant of:

- 2.1 The local site conditions and take these into account in preparing their bid. Bidders are encouraged to visit the site, at their own cost, to facilitate the bid preparation. Bidders shall bear all costs associated with the preparation and submission of their bids
- 2.2 The Employer is not bound to accept any bid, and reserves the right to annul the selection process at any time prior to Contract award, thereby, without incurring any liability to the Employer.

3. Fraud and Corruption

It is Employer's policy to require that Bidder and their Personnel to observe the highest standard of ethics during the execution of contract. In pursuance to this policy, Employer:

- 3.1 Will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;
- 3.2 Will sanction a Bidder or individual, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded a contract if at any time it determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, a contract;
- 3.3 Requires Bidders, as a condition of admission to eligibility, execute and attach to their bids an Integrity Pact Statement in the form provided by the Employer. Failure to provide a duly executed Integrity Pact Statement shall result in disqualification of the Bid; and

3.4 Will report any case of corrupt, fraudulent, collusive, coercive or obstructive practice to the relevant SMCL agencies, including but not limited to the Anti-Corruption Commission (ACC) of Bhutan, for necessary action as per the statutes and provisions of the relevant agency.

4. Bid Validity

The Bid must remain valid for 90 days after the submission date. Should need arise, Employer may request in writing to extend the validity period of their bids.

5. Exclusion of Bidders

A Bidder shall not be permitted to submit a bid or to be awarded a Contract under any of the following circumstances:

5.1 It is insolvent or is a bankrupt or is in the process of being wound up, or has entered into an arrangement with creditors;

OR

5.2 Its affairs are being administered by a court, judicial officer or by an appointed liquidator;

OR

5.3 It has suspended business;

OR

5.4 It has been found guilty of professional misconduct by a recognized tribunal or professional body;

OR

5.5 It has not fulfilled its obligations with regard to the payment of taxes, social security or other payments due in accordance with the laws of the country in which it is established or of the Kingdom of Bhutan;

OR

5.6 It has been convicted for fraud and/or corruption by a competent authority;

OR

5.7 The Firm has been debarred from participation in public procurement by any competent authority as per law.

6. Contents, Clarification and Amendment of the Bid Document

6.1 The bid document shall comprise of the following:

Section 1	-	Letter of Invitation
Section 2	-	Instructions to Bidder
Section 3	-	Terms and Conditions of the Contract
Section 4	-	Technical Specifications
Section 5	-	Price Schedule (BoQ)
Section 6	-	Integrity Pact
Section 7	-	Other bidding Forms

6.2 Any request for clarification must be sent in writing to the Employer's bid submission address provided in the bid document on or before 16th October 2020. The Employer will respond in writing, and will send written copies of the response including an explanation of the query but without identifying the source of the inquiry to all Bidders. For convenient of bidders, clarifications may be posted SMCL website. Should the Employer deem it necessary to amend the bid as a result of a clarification, it shall do as deemed necessary.

6.3 At any time before the submission of Bids, the Employer may amend the bid by issuing an addendum in writing. The addendum shall be sent to all the Bidders who have purchased the document and will be binding on them. The Bidders shall acknowledge receipt of all addenda before the final date and time established for the submission of Bid. To give Bidders reasonable time in which to take an addendum into account in their Bid documents the Employer may, if the addendum is substantial, extend the deadline for the submission of Bids.

7. Language

Bid documentation and execution of contract shall be in English or Dzongkha.

8. Financial Proposals

The Financial Proposal shall be prepared to cover all costs associated with machineries, operators/supervisors/helpers including repairs, maintenance and fuel as per the terms and conditions under the contract. All activities and items described in the Price Schedule must be priced including those not described shall be assumed to be included in the prices of other activities or items.

9. Taxes

The Bidder shall be subject to payment of all taxes as applicable on amounts payable by the Employer under the Contract.

10. Sealing & Submission of Proposals

The Bid shall contain no interlineations or overwriting except as necessary to correct errors made by the Bidder itself. The person who signed the Bid must initial such corrections. Submission letter for the Bid shall be in the format provided by the Employer.

An authorized representative of the Bidder shall initial all pages of the original bid document. The authorization shall be in the form of a written power of attorney accompanying the Bid or in any other form demonstrating that the representative has been duly authorized to sign. Integrity pack has to be dully filled and signed. Incomplete integrity pack submission without signing shall lead to rejection of bid.

The Bid shall be sent to the address below:

Chief Executive Officer

State Mining Corporation Limited

Post Box No. 320, Samtse, Bhutan.

Telephone No. 05-365885/86/87/17743273

Email: smcl.dhi@gmail.com

The inner envelopes shall:

- a) be signed across their seals by the person authorized to sign the Bid on behalf of the Bidder; and
- b) Indicate the name, address and contract number of the Bidder to enable the Bid Document to be returned unopened in case it is declared late.
- c) All envelopes shall be sealed with adhesive or other sealant which will prevent re-opening.

The outer envelope shall,

- a) Be marked confidential
- b) Be addressed to Employer at the address provided

Any bids received by the Employer after the deadline for submission shall be returned unopened.

CHECK LIST

BIDDER TO FILL IN THE CHECK LIST GIVEN BELOW (State Yes/No for each item)

SN	Particulars	Yes/No
1	Whether the original and copy of the full bidding document are submitted in separate covers and both the covers enclosed in a common envelope.	
2	Whether envelope contains:	
a)	Bid Security	
b)	Valid Business License	
c)	Tax Clearance Certificate	
d)	The profile of the Organisation	
e)	Letter of Authorisation for signing the Tender document	
f)	Filled up and signed Price Bid documents in the price bid form in full with price details	
g)	Signed integrity pact	

10. Bid Security

Bidders shall furnish a bid security of **Nu.910,000.00 (Ngu. Nine Hundred Ten Thousand Only)**. The bid security shall be valid for a minimum period of 120 days from the date of opening of the bid and shall be in the form of a Demand Draft/unconditional Bank Guarantee/Cash Warrant issued by the Authorized Financial Institutions in Bhutan, in favour of State Mining Corporation Limited, Samtse. Any bid submitted without the bid security shall be rejected as non-responsive. The bid security of the unsuccessful bidders shall be returned as promptly as possible after signing the contract with the successful bidder. The bid security of the successful bidder shall be returned upon furnishing of the Performance Security.

11. Withdrawal of Bids

A Bidder may withdraw after it has been submitted by sending a written notice in accordance with this section, duly signed by an authorized representative, and shall include a copy of the authorization (the power of attorney). All notices must be received by the Employer prior to the deadline prescribed for submission of Bids.

Bids requested to be withdrawn shall be returned unopened to the Bidder.

No Bids shall be withdrawn in the interval between the deadline for submission of Bids and the expiry of the period of Bid validity or any extension thereof. ***Any such withdrawal shall result in the forfeiture of EMD or Bid Security.***

12. Opening of Proposals

Immediately after the closing date and time for submission of Bids, any envelopes marked "Withdrawal" and accompanied by a properly authorized withdrawal notice shall be put aside, and stored safe and secure, ready for return to the Bidder. The Employer shall then open all remaining Bids at **14:30 hrs on 21st October 2020** in the conference hall of SMCL, Gurung Bastey, Samtse.

Bids shall be opened publicly in the presence of the Bidders or authorised representatives who choose to attend. At the time of opening, following information shall be read out and recorded:

- (a) Name of the Bidder;
- (b) Amount & validity of EMD; and
- (c) Bid Price

13. Evaluation to be Confidential

From the time the Bids are opened to the time the Contract is awarded, the Bidder shall not contact the Employer on any matter related to its Bid. Any effort by any Bidder to influence the Employer in the examination, evaluation, ranking of Bids, and recommendation for Award of Contract may result in the rejection of the Bid.

After the opening of Bids, information concerning the Bid Documents or any part of the contents thereof shall not be released to any person or party that is not a member of the Bid Evaluation Committee.

The evaluation proceedings shall be kept confidential at all times until the award of Contract is announced.

14. Evaluation criteria

The evaluation will be done based on the distribution of scores for technical of 30% and financial 70%.

The financial criteria will be assessed on the Bid amount quoted. The lowest evaluated financial proposal will be given the maximum financial score of 100 points. The financial scores of the other bidders will be computed on the pro rata basis. The proposals will be ranked according to their combined technical and financial scores using the weight calculated based on the following formulae:

$$70\% \times \frac{(\text{Lowest quoted bid among qualifying bids})}{\text{Financial Bid quoted by } x} + 30\% \text{ of Technical Score of } x$$

Where, x is a qualifying bidder.

Details of the evaluation criteria are provided below for different components.

Sl no	Main Criteria	Sub Criteria	Weight assigned
1	Technical	Age of machineries	20
2		Site Supervisor/Manager	10
3	Financial	Bid amount	70
Total			100

1. Age of machineries (20%):

1.1 Following score shall be awarded for the age of excavators, excavator with rock breaker, wheel loader/pay loader (20 points):

Year of registration	Weight distribution based on age of machineries.
2015	15
2016	16
2017	17
2018	18
2019	19
2020	20

Machineries registered before the year 2015 **shall not** be accepted for the evaluation. Bidders must provide valid registration certificate of all machineries.

1.2 Following score shall be awarded for the site supervisor/manager (10 points):

- Site supervisor/manager; similar working experience of more than 5 years =10 points
- Site supervisor/manager; similar working experience of 3-5 years = 5 points
- Site supervisor/manager; similar working experience of 0-2 years = 0 point

Authentic proof of work experience shall be submitted for evaluation.

2. Financial Evaluation (70%)

The **lowest responsive bid price** shall be awarded 70% and rest shall be prorated as below

$$70\% \times \frac{\text{Lowest quoted bid among qualifying bids}}{\text{Financial Bid quoted by } x}$$

Where, x is a qualified bidder.

15. Evaluation of Bids

The Evaluation Committee shall correct any computational errors. When correcting computational errors, in case of any discrepancy between a partial amount and the total amount, or between words and figures, the former shall prevail. In addition to the above corrections, activities and items described in the Bid Document but not quoted shall be assumed to be included in the quoted rates of other items.

16. Negotiations

Negotiations may include a discussion of the Technical Proposal and the bid amount if the Employer feels the Bidder has priced unreasonably high. The Employer shall prepare minutes of the negotiations, which shall be signed by the Employer and the Bidder. The negotiations shall not alter the original scope of work and substantially modify the terms of the Contract.

If the bid price of lowest evaluated bids appears abnormally low and/or seriously unbalanced, the Employer may require the bidder to produce written explanation or justifications and detail price analysis for all items offered. After objective evaluation of the explanations, justifications and price analysis, the Employer shall decide to accept or reject the bid.

17. Employer's Right

The Employer reserves the right to accept or reject any Bids, and to annul the bidding process and reject all Bids at any time prior to Contract award, without thereby incurring any liability to the Bidders.

18. Award of Contract

After completing negotiations, the Employer shall award the Contract to the selected Bidder, and as soon as possible notify unsuccessful Bidders, and

After completing negotiations, the Employer shall issue the letter of acceptance to award the Contract to the successful Bidder. The unsuccessful Bidders shall be notified within 15 days from the date of the decision to award the Contract.

Following the decision to award the Contract, the parties shall enter into a written Contract. The Contract shall be signed by the successful Bidder or duly authorized representatives of the parties and shall bear the date of signature.

Where both the parties do not sign the Contract simultaneously,

- (a) The Employer shall send to the selected Bidder two original copies of signed (1) the Contract Agreement and (2) the letter of acceptance (letter of notice).
- (b) The letter of acceptance shall indicate the deadline by which the contract must be accepted, which shall normally be not more than 3 days from the date of its receipt by the Bidder;

- (c) The Bidder, if agrees to conclude the Contract, shall sign and date all original copies of the Contract agreement and the letter of acceptance and return one copy of each to the Employer before the expiry of the deadline indicated in the letter of acceptance;
- (d) In case the selected Bidder fails to sign the Contract agreement within the deadline specified in the letter of acceptance the Contract shall be awarded to the next lowest evaluated Bidder. Failure by successful bidder to submit the performance security or sign the contract agreement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security.

19. Performance Security

Prior to signing of the Contract, the successful Bidder shall furnish performance security of **Nu. 1,300,000.00 (Ngu. One Million Three Hundred Thousand Only)** and shall be in form of Demand Draft and unconditional Bank Guarantee issued by the Authorized Financial Institution in Bhutan, in favour of State Mining Corporation Limited, Samtse.

Performance Security will be released 30 days after the completion contract period.

SECTION III: TERMS AND CONDITIONS OF THE CONTRACT

1. Definitions

1.1 Definitions	<p>Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:</p> <p>(a) Applicable Laws of Bhutan: The laws and any other instruments having the force of law in Bhutan</p> <p>(b) Contractor/hiring agent: An individual or a legal entity entering into a Contract to provide the Services to the SMCL under the Contract. The term contractor and hiring agent in this case are synonymous, and use inter-changeably.</p> <p>(d) Contract: The formal agreement in writing, including the Terms and Conditions of Contract, Price Schedules and the Appendices if any, entered into between the Employer and the Contractor, on acceptable terms and conditions and which are in compliance with all the relevant provisions of the laws of the Kingdom of Bhutan, for the execution of the works.</p> <p>(e) Contract Price: The price to be paid for the performance of the Works as described in the contract</p> <p>(f) Day: A calendar day.</p> <p>(g) Effective Date: The date on which this Contract comes into force and effect as mentioned in the letter of acceptance or letter of notice to award.</p> <p>(j) Employer: State Mining Corporation Limited (SMCL).</p> <p>(k) In writing: Communicated in written form (e.g. by mail, electronic mail, fax, telex) with proof of receipt.</p> <p>(l) Local Currency: Bhutanese Ngultrum (BTN).</p> <p>(m) Member: Any of the entities that make up the joint venture/consortium/association; and “Members” means all these entities.</p> <p>(n) Party: The SMCL or the Contractor, as the case may be, and “Parties” means both of them.</p> <p>(o) Personnel: Professional, support staff and workforce provided by the Contractor to perform the works or any part thereof; “Foreign</p>
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	<p>Personnel” means such professional and support staff who at the time of being so provided have their domicile outside Bhutan; “Local Personnel” means such professional and support staff who at the time of being so provided have their domicile in Bhutan.</p> <p>(p) Third Party: Any person or entity other than the Government, the SMCL, the Contractor.</p>
1.2 Law Governing Contract	This Contract, it’s meaning and interpretation and the prevailing laws of Bhutan shall govern the relation between the Parties.
1.3 Language	This Contract shall be executed in English or Dzongkha, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.
1.4 Notices	
1.4.1	Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing.
1.4.2	A Party may change its address for notice hereunder by giving the other Party notice in writing of such change to the address specified by the Parties.
1.5 Location	The Works shall be performed at <i>Chunaikhola Dolomite Mine, Phuntshopelri Gewog, Samtse.</i>
1.6 Authority of Member in Charge	<p>In case the Contractor consists of a joint venture/consortium/ association of more than one entity, the Members hereby authorize the entity to act on their behalf in exercising all the Contractor rights and obligations towards the Employer under this Contract, including without limitation the receiving of instructions and payments from the Employer.</p> <p>Formal approval from Employer must be sought if bidders wish to form joint venture.</p>
1.7 Authorized Representatives	Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Employer or the Contractor may be taken or executed by the officials authorized by the Parties.

<p>1.8</p>	<p>Fraud and Corruptions</p>
<p>1.8.1 Definitions</p>	<p>It is the Employer’s policy to require that Contractor and their Personnel observe the highest standards of ethics during the execution of the Contract. In pursuance of this policy, the Employer:</p> <p>(a) defines, for the purposes of this provision, the terms set forth below as follows:</p> <ul style="list-style-type: none"> (i) “corrupt practice” means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party; (ii) “fraudulent practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation; (iii) “collusive practice” means an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party; (iv) “coercive practice” means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party; (v) "obstructive practice" means: <ul style="list-style-type: none"> (aa) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order materially to impede any investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or (bb) acts intended materially to impede the exercise of the inspection and audit rights of the Employer or any organization or person appointed by the Employer.

<p>1.8.2 Measures to be taken</p>	<p>(b) will cancel the Contract if it at any time determines that representatives of the Contractor, or any other participant in the Contract execution process, were engaged in corrupt, fraudulent, collusive, coercive or obstructive practices during the selection process or the execution of the Contract;</p> <p>(c) will sanction a Contractor, including declaring them ineligible, either indefinitely or for a stated period of time, to be awarded under SMCL financed contract if at any time it determines that they have, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for, or in executing, an SMCL financed contract;</p> <p>(d) will report the case of corrupt, fraudulent, collusive, coercive or obstructive practice to the relevant Employer's agencies, including but not limited to the Anticorruption Commission (ACC) of Bhutan, for necessary action in accordance with the statutes and provisions of the relevant agency.</p>
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2. Commencement, Completion, Modification and Termination of Contract

<p>2.1 Effectiveness of Contract</p>	<p>This Contract shall come into force from the effect date mentioned in the Contract Agreement or letter of notice. This notice shall confirm on the effectiveness conditions, if any.</p>
<p>2.2 Contract Period</p>	<p>The contract duration is for one year from the effective date subject to renewal based on performance.</p>
<p>2.3 Commencement of Works</p>	<p>The Contractor shall begin carrying out the Works not later than the 15 days after the Effective Date being specified in the "Contract Agreement/letter of acceptance".</p>
<p>2.4 Expiration of Contract</p>	<p>Unless terminated, this Contract shall expire at the end of one year after the Effective Date. It will be renewed based on performance of the contractor.</p>
<p>2.5 Modifications or Variations</p>	<p>Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the Scope of the Works, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.</p>

2.6 Force Majeure	
2.6.1 Definition	For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.
2.6.2 No Breach of Contract	The failure of a Party to fulfil any of its obligations under the Contract shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.
2.6.3 Extension of Time	Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.
2.6.4 Payments	During the period of its inability to perform the Services as a result of an event of Force Majeure, the Contractor shall not be subject to Liquidity Damage during the period and any additional cost incurred during such period for the purpose of the services and in reactivating the Service as approved by the employer shall be reimbursed.
2.7 Termination	
2.7.1 By the Employer	<p>The Employer may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Employer shall give not less than thirty (30) days written notice of termination to the Contractor, or sixty (60) days in the case of the event referred to in paragraph (e) of this Clause.</p> <p>(a) If the Contractor does not remedy a failure in the performance of its obligations under the Contract within thirty (30) days after being notified or within any further period as the Employer may have subsequently approved in writing.</p> <p style="text-align: center;">OR</p>

	<p>(b) If the Contractor becomes insolvent or bankrupt.</p> <p style="text-align: center;">OR</p> <p>(c) If the Contractor, in the judgment of the Employer has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.</p> <p style="text-align: center;">OR</p> <p>(d) If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days.</p> <p style="text-align: center;">OR</p> <p>(e) If the Employer, in its sole description and for any reason whatsoever, decides to terminate this Contract.</p> <p style="text-align: center;">OR</p> <p>(f) If the Contractor fails to comply with any final decision reached as a result of arbitration proceedings.</p>
<p>2.7.2 By the Contractor</p>	<p>The Contractor may terminate this Contract, by not less than thirty (30) days written notice to the Employer, such notice to be given after the occurrence of any of the events specified in paragraphs (a) through (c) of this Clause:</p> <p>(a) If the Employer fails to pay bills due to the Contractor pursuant to this Contract within forty-five (45) days after receiving written notice from the Contractor that such payment is overdue.</p> <p>(b) If, as the result of Force Majeure, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days.</p> <p>(c) If the Employer fails to comply with any final decision reached as a result of arbitration hereof.</p>

3. Obligations of the Contractor

<p>3.1 Standard of Performance</p>	<p>3.1.1 The Contractor shall deploy the EME at all times as required by the Employer. The requirement of the use of the EME shall depend on the volume of work at the site at any given point of time.</p>
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	<p>3.1.2 In the event of any additional requirement of the EME or need for reduction in number due to unforeseen conditions, the Contractor shall provide or remove the EME within the notice period.</p> <p>3.1.3 It shall be the responsibility of the Contractor for any fines, penalties imposed by regulating agencies for violations of their rules and regulations.</p> <p>3.1.4 All EME shall be operated up to the required capacity and high race mode. The EMEs shall not remain in unnecessary idle mode with the engine running.</p> <p>3.1.5 Operators of EME shall have professional license with matching experience to operate the EME efficiently. If the operator lacks in any of the two, he shall not be allowed to operate the machine at site.</p> <p>3.1.6 The Contractor shall not remove or replace the EME from deployment without the prior permission from the Employer.</p> <p>3.1.7 EME must always be fuelled for minimum hours stated in Clause 9.1</p> <p>3.1.8 Engine heating & greasing time of all EME shall not be accounted as working hours.</p> <p>3.1.9 All EME, during off-hours, shall be stationed as per the instruction of the Employer. Time taken by the EME for marching between the work site and the undesignated halt stations shall not be accounted as working hours.</p> <p>3.1.10 The Contractor shall repair and re-deploy or replace the off-road EME within the notice period served.</p> <p>3.1.11 The Contractor shall perform the Works and carry out its obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods.</p> <p>3.1.12 The Contractor shall provide all required machineries and equipment necessary to perform the Dolomite raising works and bear the expenses of all repairs of tools and machineries.</p> <p>3.1.13 The age of the EME shall always be six or less during the contract period.</p> <p>3.1.14 The Contractor shall always act, in respect of any matter relating to this Contract, and shall at all times support and safeguard</p>
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	Employer’s legitimate interests in any dealings with other Parties.						
3.2 Insurance to be Taken Out by the Contractor	The Contractor (a) shall take out and maintain, at their own cost but on terms and conditions approved by the Employer, insurance against the risks, and for the coverage of its employees, labours and equipment/machineries to be deployed at the work site; and (b) at the Employer’s request, shall provide evidence showing that such insurance has been taken out and maintained and that the current premiums have been paid.						
3.3 Maintenance of Site Order Book	The Contractor shall maintain at site the Site Order Book (SOB) or Register to receive and record any instructions of the Employer’s Representatives during the day-to-day site supervision and monitoring visits. All instructions shall be recorded in the SOB and jointly signed both by the Contractor or its representative and Employer’s representatives issuing the instruction. All pages of SOB shall be serially numbered and hand over to the Employer at the end of the contract.						
3.4 Contractor’s Actions Requiring Employer’s Prior Approval	The Contractor shall obtain the Employer’s prior approval in writing before taking any of the following actions: (a) entering into a subcontract for the performance of any part of the Works, (b) Appointing such members of the Personnel not listed by name in bid document.						
3.5 Measurement of Work	Works shall be measured on hourly basis as given below: <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>SI No</th> <th>Particulars</th> <th>Unit of measurement</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>All machineries</td> <td>hour</td> </tr> </tbody> </table>	SI No	Particulars	Unit of measurement	1	All machineries	hour
SI No	Particulars	Unit of measurement					
1	All machineries	hour					
3.6 Breakdown of machineries	Should it become necessary for the machineries to be replaced due to problems associated with machinery breakdown or other reasons, the contractor shall immediately provide replacement which is of equivalent or better quality in terms of make, model, and condition or redeploy the repaired machinery within 14 calendar days , failing which the Employer reserve the right to hire from other hiring agencies and the difference in hiring rate recovered from the Contractor.						

4. Contractor's Personnel

4.1 Description of Personnel	The Contractor shall provide qualified and experienced operators and handy boys for the machineries preferably with experiences in mining. The contractor is also required to arrange a full time qualified site supervisor/manager to oversee the conduct and operations of the machineries at site. The supervisor shall also be the liaison officer for the contractor who will coordinate and receive instructions of the work from the employer. Form 2 - Key Personnel Information form under Section 7 of this contract must be filled and furnished.
4.2 Facilities to the Workers	The Contractor shall at all times comply with the Labour Act of Kingdom of Bhutan and its Rules and Regulations in force. It shall be responsible to provide all facilities to its employees and workers at the work site as below: i) Suitable accommodation with proper sanitation, lighting and drinking water supply ii) Suitable office space and allied equipment iii) Uniform and protective safety gears and first aid-kit at site.
4.3 Removal and/or Replacement of Personnel	(a) Except the Employer may otherwise agree, no changes shall be made in the Personnel. If, for any reason beyond the reasonable control of the Contractor, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Personnel, the Contractor shall provide as a replacement a person of equivalent or better qualifications and skills as may directed by the employer. (b) If the Employer (i) finds that any of the Personnel have committed serious misconduct or have been charged with having committed a criminal action, or (ii) has reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Contractor shall, at the Employer's written request specifying the grounds thereof, provide as a replacement a person with qualifications and experience acceptable to the Employer. (c) The Contractor shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

5. Obligations of the Employer

5.1 Change in the Applicable Laws of Bhutan Related to Taxes and Duties	<p>If, after the date of this Contract, there is any change in the Applicable Laws of Bhutan with respect to taxes and duties which increases or decreases the cost incurred by the Contractor in executing the Works, then the expenses otherwise payable to the Contractor under this Contract shall be increased or decreased accordingly by agreement between the Parties.</p>
5.2 Services, Facilities and Property	<p>(a) The Employer may, if available, provide to the contractor the connection to power supply and drinking water supply, land for his site office and labour camp. Otherwise contractor has to arrange by self. However, all expenses and required lease rent has to paid accordingly.</p>

6. Payments to the Contractor

6.1 Payment	<p>6.1.1 Monthly payment shall be made on the basis of the total hours of machine deployment in a calendar month and as verified by the Employer.</p> <p>6.1.2 One rate shall be applicable irrespective of time (night) and duration (overtime) of work.</p> <p>6.1.3 Payment against the fortnightly bill may also be made to the Contractor for meeting fuel expenses and ensuring uninterrupted EME operation.</p> <p>6.1.4 Payment shall be made through bank transfer/Cheque issue only. All Bank charges of payment made shall be borne by the Contractor.</p> <p>6.1.5 TDS deduction shall be made as per the prevailing taxation laws of the country and TDS certificate for the taxes deducted shall be made available to the Contractor.</p>
6.2 Interest on Delayed Payments	<p>If the Employer has delayed payments beyond 30 days after receipt of the invoice by the Employer, interest shall be paid to the Contractor at the existing rules.</p>

7. Injury and Accident at Work Place

7.1 Injury and Accident at Work Place	<p>Contractor shall take all necessary measures on the safety and welfare of its employees and labours by taking adequate safety precautions, providing safety gears and protective uniforms as deemed necessary, guard against hazardous and unsafe working conditions and comply with the instructions of the Employer's Representatives. In the event of an injury or casualty due to accident at the work place, Contractor shall</p>
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	be liable in respect of any damages or compensations payable to any workman.
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8. Mines Operation

8.1 Mine Operation	The operation of mining and raising of Dolomite shall be throughout the year except during times of bad weather, such as continuous rainfall making the mining difficult to operate the earth moving machineries. Employer's Representative shall decide whether to halt the work and its duration. Under such circumstances, no additional claims shall be admissible on account of idle charge both for machineries and personnel for the stoppage of the work. The working hours for the machineries shall be considered only during times when the engines of the machineries are effectively deployed at site.
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9. Working Hours

9.1 Working Hours	<p>For all machineries normal working hours per day shall be working 2 shifts effectively and if required machineries has to work for 3 shifts round the clock, in shift system;</p> <p>A: shift from 6AM to 2PM</p> <p>B: shift from 2PM to 10PM</p> <p>Accordingly, contractor has to plan the requirement of operators.</p> <p>No of working hours and working days shall be about 13 and 300 respectively, as given in the table below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>SN</th> <th>Particulars</th> <th>Working hours per day</th> <th>No. of working days per year</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>All machineries</td> <td>13</td> <td>300</td> </tr> </tbody> </table> <p>However, the actual daily working hours and days may change due to, but not limited to, the following:</p> <ol style="list-style-type: none"> 1) work requirement, 2) work conditions, 3) change in work schedule, and 4) any other unforeseen reasons 	SN	Particulars	Working hours per day	No. of working days per year	1	All machineries	13	300
SN	Particulars	Working hours per day	No. of working days per year						
1	All machineries	13	300						

	<p>All machineries shall work 6 days a week (with exception on Sundays).</p> <p>However, Employer may require machineries to work either additional hours or days at times of urgency.</p>
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10. Penalty for breach of Performance

<p>10.1 Penalty for breach of performance</p>	<p>10.1.1 If the Contractor fails to comply with the Clause No. 3.1.1 and 3.1.2 of this contract the penalty equal to two times the hiring charges of the total shortfall hours shall be levied.</p> <p>10.1.1 If offence against Clause No. 3.1.4 is committed more than three times, 30% of the full day hiring charges of all instances shall be levied. The contractor shall be issued warning letters of all instances.</p> <p>10.1.2 Non-compliance to Clause No. 9.1 shall lead to penalty equal to the hiring charges of the total shortfall hours of the day.</p> <p>10.1.3 If the Contractor fails to comply with Clause No. 3.1.10 penalty of 20% of hiring charges of the EME per day (1day= notified normal working hours) shall be levied.</p> <p>10.1.4 Repetition of offences under clauses 3.1.4 and 3.1.5 of a particular EME for more than 3 times, shall lead to the following:</p> <ul style="list-style-type: none"> a) On spot shutting down of the EME operation and b) Replacement of the operator and or the EME depending on the cause of the offence committed.
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11. Good Faith

<p>11.1 Good Faith</p>	<p>The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.</p>
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12. Settlement of Disputes

<p>12.1 Amicable Settlement</p>	<p>The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.</p>
<p>12.2 Dispute Resolution</p>	<p>Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions below:</p>

Disputes shall be settled by arbitration in accordance with the following provisions:

1. Selection of Arbitrators. Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three arbitrators, in accordance with the following provisions:
 - (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to *Interim National Arbitration Committee under the Ministry of Works and Human Settlement, Royal Government of Bhutan* for a list of not fewer than five nominees. Upon receipt of such list, the Parties (commencing with the DHI when the list comprises an even number of nominees, and with the Consultant when the list comprises an odd number of nominees) shall alternately strike names there from, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, *Interim National Arbitration Committee under the Ministry of Works and Human Settlement, Royal Government of Bhutan* shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute.
 - (b) Where the Parties do not agree that the dispute concerns a technical matter, the Employer and the Consultant shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by *Hon'ble Minister, Ministry of Works and Human Settlement, Royal Government of Bhutan*

SECTION IV: TECHNICAL SPECIFICATIONS

1. Project Overview

State Mining Corporation Limited (SMCL) is the newest subsidiary company of the Druk Holding and Investment Limited. It was incorporated under the Companies Act of the Kingdom of Bhutan on 31 December 2014. Its primary mandates, as per the articles of incorporation, are to explore mineral resources and carry out mining activities for domestic supplies and export of the surplus. It has its corporate office at Samtse.

State Mining Corporation is having four operating mines, two coalmines in Samdrupjongkhar, one gypsum mine in Pemagatshel and one stone quarry in Tashigang. With the expiry of 15 years auction term for Chunaikhola Dolomite Mine at Chunaikhola, Phuntshapelri Gewog, Samtse, the right to operate the mine, for an interim period, was granted to SMCL.

2. Scope of work and specification

The scope of the work for the tender involves the supply of EME for the following:

- 1) Drill face preparation and bench dressing,
- 2) Over size breaking of dolomite boulders,
- 3) Excavation and loading of dolomite and OB/mines waste from the mine production and development sites,
- 4) Loading of dolomite from stockyard for sales dispatch and the material handling and miscellaneous works,
- 5) Construction of approach road, access road, ramps, and drainages, development of OB dumpsite and its management, and any other miscellaneous jobs as may be assigned by SMCL.

3. EME specifications

The Bidder shall furnish the following details with necessary documents as proof to authenticate the technical specification and ownership of the equipment.

SN	Eligible Criteria	Bidders to furnish		
		Own	On Hire	Need to procure
1	Please furnish the following by filling the appropriate boxes (Mark "tick" wherever applicable)			
a)	Two (2) Nos with 350HP and 3m ³ min. bucket capacity hydraulic excavator			
b)	One (1) Nos with 148HP and 1m ³ min.bucket capacity hydraulic excavator with breaker attachment			
c)	Four (4) Nos with 148HP and 1m ³ min.bucket capacity hydraulic excavator			
d)	Five (5) Nos. with 130HP and 3m ³ min. bucket capacity hydraulic pay loader			
2	Whether the model of the following vehicles/equipment are 2015 or later:	Yes/No	Yes/No	
a)	Two (2) Nos with 350HP and 3m ³ min. bucket capacity hydraulic excavator			
b)	One (1) Nos with 148HP and 1m ³ min.bucket capacity hydraulic excavator with breaker attachment			
c)	Four (4) Nos with 148HP and 1m ³ min.bucket capacity hydraulic excavator			
d)	Five (5) Nos. with 130HP and 3m ³ min. bucket capacity hydraulic pay loader			
3	For the own Equipment, whether the copyof RC book & up dated insurance documents in the name of the bidder or bidder's firm are enclosed.	Yes/No		
4	Whether the legally binding document in Nu.10/stamp paper for all the Vehicles/Equipments under on hire are enclosed.		Yes/No	
5	For the new equipment to be procured, whether the catalogue of equipment to be supplied or purchase orders if ordered are enclosed			Yes/No

SECTION V: PRICE SCHEDULE

The quoted rate shall be inclusive for cost on fuel, remunerations for the operators and other staff, and all other operational costs. The rate shall also include any other cost such as, watch and ward, accommodation of the bidder's staff at site and as specified under the contract. The rate shall also cover the cost of transporting the machineries/ equipment from its current location to the mine site and removal within one month from the date of expiry of the contract.

The Bidder shall place his/her offer rates in the table for Price Schedule given below.

SN	Machinery/ Equipment & specifications/details	Numbers required	Rate in Nu per hour	Rate in words (Nu)
1	Hire of Excavators, (350 horse power and 3m3 bucket capacity or higher) in accordance with the terms and conditions and specifications specified under the contract	2(Two)		
2	Hire of Excavators, (148 horse power and 1m3 bucket capacity or higher) in accordance with the terms and conditions and specifications specified under the contract	4(four)		
3	Hire of Excavators, (148 horse power and 1m3 bucket capacity or higher with breaker attachment) in accordance with the terms and conditions and specifications specified under the contract	1(One)		
4	Hire of Wheel Loader (130 horse power and 3m3 bucket capacity or higher) in accordance with the terms and conditions and specifications specified under the contract	5(Five)		

**The unit rate shall be provided both in figures and words. In case of discrepancy, the price quoted in words shall prevail.*

**The EME number requirement given in the table above is subject to change for the reasons mentioned in the Condition No. 9.1. Any change will become effective upon a notice period served by the Employer.*

SECTION VI: INTEGRITY PACT

1. General

Whereas *Chief Executive Officer*, representing the *State Mining Corporation Limited*, hereinafter referred to as the Employer on one part, and (*Name of person*) representing the (*Name of Bidder*) as the other part hereby execute this agreement as follows:

This agreement should be a part of the tender document, which shall be signed and submitted along with the tender document. The head of the employing agency/or his authorized representative should be the signing authority. For the bidders, the bidder himself or his authorized representative must sign the Integrity Pact (IP). If the winning bidder had not signed during the submission of the bid, the tender shall be cancelled.

2. Objectives

Now, therefore, the Employer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/unprejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into, with a view to :-

- 2.1 Enabling the Employer to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works, goods and services; and
- 2.2 Enabling bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the Employer will commit to prevent corruption, in any form by their officials by following transparent procedures.

3. Commitments of the Employer:

The Employer commits itself to the following:-

- a. The Employer hereby undertakes that no official of the Employer, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.
- b. The Employer further confirms that its officials has not favoured any prospective bidder in any form that could afford an undue advantage to that particular bidder during the tendering stage, and will further treat all Bidders alike.

- c. All the officials of the Employer shall report to the head of the employing agency or an appropriate Government office any attempted or completed violation of clauses 3.1 and
- d. Following report on violation of clauses 3.1 and 3.2 by official(s), through any source, necessary disciplinary proceedings, or any other action as deemed fit, the Employer may initiate including criminal proceedings and such a person shall be debarred from further dealings related to the contract process. In such a case while the Employer is conducting an enquiry the proceedings under the contract would not be stalled.

4. Commitments of Bidders

The Bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:-

- a. The Bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.
- b. The Bidder further undertakes that he has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favour or disfavour to any person in relation to the Contract or any other contract with the Government.
- c. The Bidder will not collude with other parties interested in the contract to preclude the competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- d. The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of the Employer or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

5. Sanctions for Violation

The breach of any aforesaid provisions or providing false information by employers, including manipulation of information by evaluators, shall face administrative charges and penal actions as per the existing relevant rules and laws.

The breach of the Pact or providing false information by the Bidder, or any one employed by him, or acting on his behalf (whether with or without the knowledge of the Bidder), or the commission of any offence by the Bidder, or any one, employed by him, or acting on his behalf, shall be dealt with as per the provisions of the Penal Code of Bhutan, 2004, and the Anti-Corruption Act, 2006.

The Employer/relevant agency shall also take all or any one of the following actions, wherever required:-

- a. To immediately call off the pre-contract negotiations without giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.
- b. To immediately cancel the contract, if already awarded/signed, without giving any compensation to the Bidder.
- c. The Earnest Money / Security Deposit shall stand forfeited.
- d. To recover all sums already paid by the Employer.
- e. To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Employer, along with interest.
- f. To cancel all or any other Contracts with the Bidder.
- g. To debar the Bidder from entering into any bid from the government of Bhutan as per the Debarment Rule.

6. Conflict of Interest

- a. A conflict of interest involves a conflict between the public duty and private interests (for favour or vengeance) of a public official, in which the public official has private interest which could improperly influence the performance of their official duties and responsibilities. Conflict of Interest would arise in a situation when any concerned members of both the parties are related either directly or indirectly, or has any association or had any confrontation. Thus, conflict of interest of any tender committee member must be declared in a prescribed form (sample form attached).
- b. The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any committee member, and if he does so, the Employer shall be entitled forthwith to rescind the Contract and all other contracts with the Bidder.

7. Examinations of Books of Accounts

- a. In case of any allegation of violation of any provisions of this Integrity Pact or payment of commission, the Employer/authorized persons or relevant agencies shall be entitled to examine the Books of Accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents and shall extend all possible help for the purpose of such examination.

8. Monitoring and Arbitration

- a. The respective procuring agency shall be responsible for monitoring and arbitration of IP as per the Procurement Rules.

9. Legal Actions

- a. The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

10. Validity

- a. The validity of this Integrity Pact shall cover the tender process and extend until the completion of the contract to the satisfaction of both the Employer and the Bidder.
- b. Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

We, hereby declare that we have read and understood the clauses of this agreement and shall abide by it. Further, the information provided in this agreement is true and correct to the best of our knowledge and belief.

The parties hereby sign this Integrity Pact at _____ on _____

EMPLOYER

BIDDER

Witness:

Witness:

1. _____

1. _____

(Legal Officer/Internal Auditor)

SECTION VII: FORMS

Form 1: Bidding Form

Bid No.....

Date.....

Chief Executive Officer,

SMCL, Samtse

We offer to execute the Contract for “Hiring of Machineries” in accordance with the Conditions of Contract accompanying this Bid for the total “Bid Price” of Nu..... and[in words].

This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.

We hereby confirm that this Bid complies with the Bid validity and Bid Security required by the bidding documents.

Authorized Signature:

(Affix Legal Stamp)

Name and Title of Signatory: _____

Name of Bidder: _____

Address: _____

Form 2: Key Personnel Information

Qualifications and experience of key personnel proposed for administration and execution of the Contract. The supporting documents such detailed CVs signed in original supported by certificates for qualification and experience.

Position	Name	Qualification	Year of experience in proposed position	Remarks
Site Supervisor/manager				
Operator				

Form 3: Letter of Acceptance/Notice

Bid No.....

_____ [date]

To: _____
[name of the successful bidder]

[address]

This is to notify that your Bid dated _____ for the execution of the work named "Hiring of machineries Dolomite mine project site " for Bid Price of Nu _____ [fig] (.....[amount in words]), as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by SMCL. You are therefore required to execute the Contract no later than.....days from date

- a. The Effective Date for the Contract is on.....
- b. Date of commencement of work shall be after 15 days from the Effective Date.
- c. The completion date for whole of the work/contract shall be one year from the Effective Date.

If acceptable, you are hereby instructed to proceed with the execution of the said works within 15 (fifteen) days from the Effective Date. You are also required to furnish Bank Guarantee for performance security with 15 days from the Effective Date.

Authorized Signature:

Name and Title of Signatory: _____

Name of Agency:

Form 4: Bank Guarantee for Bid Security

Bid No..... Date.....

The Chief Executive Officer,
State Mining Corporation Limited,
Samtse

BID GUARANTEE No:

We have been informed that [name of Bidder] (hereinafter called “the Bidder”) intends to submit to you its Bid dated [date of bid] for the execution of the Works of [description of works] under the above Invitation for Bids.

Furthermore, we understand that, according to your conditions Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we [name of bank] hereby irrevocably undertake to pay you, without cavil or argument, any sum or sums not exceeding in total an amount of Nu [insert amount in figures and words] upon receipt by us of your first written demand accompanied by a written statement that the Bidder is in breach of its obligation(s) under the Bid conditions, because the Bidder:

- (a) has withdrawn its Bids during the period of Bid validity specified by the Bidder in the Form of Bid; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders; or
- (c) having been notified of the acceptance of the Bid by the Employer during the period of Bid validity, (i) fails or refuses to furnish the performance security in accordance with instructions to bidder, or (ii) fails or refuses to execute the Contract,

This guarantee will expire

- (a) if the Bidder is the successful Bidder, upon our receipt of a copy of the Performance Security and a copy of the Contract signed by the Bidder as issued by you; or
- (b) if the Bidder is not the successful Bidder, thirty days after the expiration of the Bidder’s bid validity period, being [date of expiration of the Tender].

Consequently, we must receive at the above-mentioned office any demand for payment under this guarantee on or before that date.

Signature

Signature

Form-5: Bank Guarantee for Performance Security

Bid No:

Date:

To:

[Name and address of Employer]

PERFORMANCE GUARANTEE No:

We have been informed that [name of Contractor] (hereinafter called “the Contractor”) has undertaken, pursuant to Contract No [reference number of Contract] dated [date of Contract] (hereinafter called “the Contract”), the execution of works [description of works] under the Contract.

Furthermore, we understand that, according to your conditions, Contracts must be supported by a performance guarantee.

At the request of the Contractor, we [name of bank] hereby irrevocably undertake to pay you, without cavil or argument, any sum or sums not exceeding in total an amount of Nu [insert amount in figures and in words] upon receipt by us of your first written demand accompanied by a written statement that the Contractor is in breach of its obligation(s) under the Contract conditions, without you needing to prove or show grounds or reasons for your demand of the sum specified therein.

This guarantee is valid until [date of validity of guarantee], consequently, we must receive at the above-mentioned office any demand for payment under this guarantee on or before that date.

Signature

Signature

Form-6: Contract Agreement:

THIS AGREEMENT, made the [day] of [month] [year] between [name and address of Employer] (hereinafter called "the Employer") of the one part and [name and address of Contractor] (hereinafter called "the Contractor") of the other part.

WHEREAS, the Employer invited sealed Bids for certain Works, viz, [brief description of the Works] and has accepted the Bid by the Contractor for the execution of those works in the sum of Ngultrum [insert amount in figures and words], hereinafter called "the Contract Price".

NOW THIS AGREEMENT WITNESSETH as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Terms and Conditions of Contract hereinafter referred to.
2. The documents forming the Contract shall be interpreted in the following order of priority:
 - (a) The signed Contract Agreement;
 - (b) The letter of Acceptance;
 - (c) All forms under Section 7 of this Contract;
 - (d) Terms and Conditions of Contract;
 - (e) Technical Specifications
 - (f) Price Schedule; and
 - (g) Any other document listed herein.
3. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and to remedy any defects therein in conformity in all respects with the provisions of the Contract.
4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the Parties thereto have caused this Agreement to be executed in accordance with the laws of Bhutan on the day month and year first before written.

For the Employer

For the Contractor

Signature

Signature

Print Name

Print Name

Title

Title

In the presence of (Name)

In the presence of (Name)

Address

Address