



Building for the Future



Bidding Documents

for

Annual Rate Contract (ARC) for the supply of bearings (2026)

SBD consists of:

1. General Terms and Conditions.
2. Annexure- I, Price bid form
3. Integrity Pact.

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General Terms and Conditions.

CLAUSE: 1 (General Note):

Document to be Submitted as a part of the quotation and without which shall be rejected or cancelled immediately:
Bid security deposit slip.

- a. PAN card.
- b. Valid Trade License/GST/IEC/ISO certified company
- c. Tax Clearance Certificate.
- d. 2% EMD (2% of the total quoted value of items)
- e. ISO Certificate.
- f. Copy of voter Identity card/Adhar card.
- g. Copy of GST registration certificate.
- h. Bid can be submitted through email at tc@pendencement.bt
- i. **Submission of bid latest by 25/09/2026 on OR before 2.00 PM (BST) and the same will be opened at 2.30 PM (BST).**
- j. Any bid received after the due date and time shall not be accepted.
- k. **Document to be completed in all respect, incomplete tender may be rejected**

CLAUSE: 2 (Scope of Work):

- a. **Supply of bearings (consumables) on an Annual Rate Contract (ARC) basis for the year 2026-2027.**

CLAUSE: 3 (Mode of tendering):

- a. The mode of tendering will be "Single stage single/two envelope, where bid price shall submit in the single envelope

CLAUSE: 4 (Qualification of bidder):

- a. OEM manufacturer preferred.
- b. Authorized distributor or dealership certificate from OEM.
- c. Technical support
- d. Similar Work experience certificate/supply order etc.
- e. Clean record as per the Royal Government of Bhutan.

CLAUSE: 5 (Bid Security):

- a. 2% EMD OR Bid Security can be furnished in the form of unconditional bank guarantee/Cash Warrant/Demand Draft (Original) or directly deposit in PCAL BOB account number 101731083 and for Indian bidders should deposited by RTGS/INR inward remittance (only for Indian bidders) **at State Bank of India, Hasimara branch, Account no: 11128915571 IFSC-SBIN0001447 to Beneficiary name Penden Cement Authority Ltd. Account No: 101731083 Bank of Bhutan Ltd, Gomtu Branch**, and should attached the deposit slip.
- b. The bid security shall remain valid for a period of 60 (Sixty) days beyond the validity period for the bids, in order to provide reasonable time if the security is to be called.
- c. The bid security may be forfeited:
 - i. If a bidder withdraws its bid during the period of bid validity specified by the bidder;

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- ii. If a bidder does not accept the arithmetical corrections of its bid price;
- iii. In the case of a successful bidder, if the bidder fails to sign the contract within the prescribed time or furnish the performance security within the prescribed time.
- d. After the award of contract, the bid security of all the unsuccessful bidders shall be returned within fifteen working days of the award of contract.
- e. The bid security of the successful bidder shall be returned on submission of the performance security by the successful bidder to whom the contract is awarded.

CLAUSE: 6 (Performance Security):

- a. The company shall inform the contractor to submit a Performance Security prior to the signing of the contract. The amount of Performance Security shall be ten (10) percent of the total quoted value of items of the BOQ, in the form of cash warrant or demand draft and not acceptable in any other form.
- b. The Performance Security shall be valid until the completion of the contract. In the event the contractor fails to perform contractual obligations under the contract, the contract shall be terminated and the Performance Security shall be forfeited.
 - i. The Performance Security shall be discharged and returned to the contractor within thirty days after the successful completion of the contract without any interest.
 - ii. Failure of the successful bidder to submit the above-mentioned Performance Security or sign the contract within the bid validity date shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security.

CLAUSE: 7 (Language and currency of bid):

- a. Language of bid shall be "English" only
- b. The currency of bid shall be Ngultrum (Nu) or Rupee (Rs).
- c. The applicable conversion rate of INR to BTN shall be 1:1 as per the Royal government of Bhutan

CLAUSE: 8 (Bid Price/Rate):

- a. The Bid price or rate shall be F.O.R PCAL Gomtu Bhutan including transportation, Indian custom charges, loading, miscellaneous expenses until the goods are delivered to the destination (PCAL, Gomtu Bhutan) only applicable GST and Bhutan custom clearing in PCAL Scope.
- b. The rate shall remain valid and fixed till the entire contractual period and shall not be subject to revision under any circumstances.

CLAUSE: 9 (Taxation and duties):

- a. For Indian bidders, taxes and duties in India are in seller scope.
- b. For Bhutanese bidders, only applicable taxes are in seller scope.
- c. For the purpose of GST in Bhutan, if the quoted rates are inclusive of transportation, then transportation charges must be mentioned separately. Failing shall be liable for 20% penalties as per DRC rules and regulation

CLAUSE: 10 (Modification and withdrawal of bid):

- a. The bidder on submission of written application may modify or withdraw its bid after the bid's submission prior to the deadline for submission of bid. Bidders on resubmission shall be marked as "MODIFICATION" as appropriate and accept the modified bid as per the stipulated time period only.
- b. Withdrawal of bid after the opening and before the expiry of bid validity period shall lead to the forfeiture of bid security (EMD).

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CLAUSE: 11 (Bid Evaluation):

- a. Evaluation shall be based on technical compliance, After-sales support, Price competitiveness, Past performance, Delivery schedule and as per PCAL Procurement Manual 2025.
- b. The contract is awarded to the **Lowest Evaluated Bidder** who is found to be qualified to perform the contract satisfactorily.
- c. If none of the received bids are found to be responsive, the tender committee may reject all bids and may retender as appropriate.

CLAUSE: 12 (Test, Quality assurance and inspection):

- a. PCAL reserves the right to inspect or test the materials at bidder's factories/wire house or at any stage of manufacturing with the prior intimation in writing.
- b. Bidder are requested to quote as per the specification, make/brand given and specified in the BOQ.

CLAUSE: 13 (Clarification of Bidding Documents):

- a. If the Bidders require any clarification must be submitted in writing before the last date of bid submission.
- b. Any bid clarification inquiry received after the last date of bid clarification will not be responded to.

CLAUSE: 14 (Amendment of Bidding Documents):

- a. The company reserves the right to amend or modify bidding documents for any reason by issue of addendum either on its own initiative or in response to a clarification request from bidders who have purchased the bid documents prior to a predetermined date or deadline for submission of bids. All bidders who have purchased the document shall be notified of the amendment in writing which shall be the part of bidding documents and shall be binding on them.
- b. For the information of those prospective bidders who may have downloaded the bidding documents from the web site, the corrigendum to the bidding documents will also be published on the web site. It will be the responsibility of such bidders to regularly visit the website for any amendment to the bidding documents until the last date of bid submission.
- c. Depending on the nature of amendment issued, the company can also extend the deadline for submission of bid to allow the bidders reasonable time for taking the addendum into account in preparations of their bids.

CLAUSE: 15 (Treatment of abnormally low or high bid):

- a. Treatment of abnormally low or high bid when the prices in a particular bid appear abnormally low, the company shall revisit its own estimated value. Based on the revised value, a decision shall be taken to reject/accept the abnormally low bids.
- b. If the company decides to accept the abnormally low bid after considering the above, the bidder shall be required to provide additional differential security equivalent to the difference between the estimated amount and the quoted price in addition to the performance security.
- c. If the prices of all the received bids are abnormally high then the company may negotiate with the lowest evaluated bidder after approval of the competent authority. In case the negotiation fails, all bids may be rejected or re-tendering as appropriate

CLAUSE: 16 (Force Majeure):

The Supplier shall not be liable for forfeiture of its Performance Security, liquidated damages or termination for default if and to the extent that its delays in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

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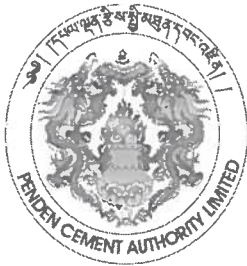
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- i. If a Force Majeure situation arises, the Supplier shall promptly notify the Procuring agency in writing of such conditions and the cause thereof. Unless otherwise directed by the Procuring agency in writing, the supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- ii. If the event persists for more than 90 days, the Contract may be terminated by mutual agreement or extend based on mutual consent.

CLAUSE: 17 (Liquidate Damages):

- a. If the bidder fails to deliver goods or complete work within the agreed time period, liquidate damages (LD) shall be applicable @0.05% per day of the total value with the maximum up to 10% of the total value.
- b. LD will be waived of for the Force majeure clauses or as per CLAUSE: 18 (*Extension of time*)

CLAUSE: 18 (Extensions of Time)

- a. If at any time during performance of the Contract, the Supplier should encounter conditions impeding timely delivery of the Goods or completion of Related Services, the Supplier shall promptly notify the Procuring agency in writing of the delay, its likely duration, and its cause before the expiry of contract/delivery period.
- b. Except in case of Force Majeure, a delay by the Supplier in the performance of its Delivery and Completion obligations shall render the Supplier liable to the imposition of liquidated damages, unless an extension of time is agreed upon or approved by the PCAL management.

CLAUSE:19 (Contractor tax):

- a. TDS applicable as per the Royal Government of Bhutan shall be deducted from the bill and PCAL will furnish the TDS certificate by our Finance and Investment Division.

CLAUSE: 20 (Warranty/Guarantee):

- a. Materials must be warranted/guaranteed that all goods, materials, and components supplied are new, unused, and free from defects in design, material, and workmanship for the minimum 12 months from commissioning or 18 months from dispatch (whichever earlier).
- b. Warranty shall cover manufacturing defects, electrical and Instrument faults, mechanical failures.
- c. During the Warranty Period, the Contractor shall replace, at no cost to the Employer, any part or assembly found to be defective or failing to meet performance specifications.

CLAUSE: 21 (Supplier and Procuring Agency's Responsibilities):

- a. The Supplier shall supply all the Goods and Related Services included in the Scope of Supplies in accordance with SBD, and the delivery and completion requirements as per SBD.
- b. Whenever the supply of Goods and Related Services requires that the Supplier obtain permits, approvals and/or import and other licenses or similar permissions from Bhutanese public authorities, the Procuring Agency shall, if so required by the Supplier, use its best efforts to assist the Supplier in complying with such requirements in a timely and expeditious manner, but without incurring any costs.

CLAUSE: 22 (Delivery of goods):

- a. A successful bidder must deliver the goods within the stipulated or agreed delivery period mentioned in the work order/supply order.
- b. Failing to deliver goods shall be liable for LD as per the **CLAUSE No: 17** above.

CLAUSE: 23 (Packing and forwarding):

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- a. Packing and forwarding should be included in the price bid. The packing materials are non-refundable unless otherwise stated.

CLAUSE: 24 (Payment terms)

- a. **No Advance payment** shall be made. However, the payment for the delivered materials shall be made within 30 working days after the submission of the bills duly verified by Lead-(CSU) before submitting to the FID

CLAUSE: 25 (Employer rights)

- a. PCAL reserves the right to reject/accept any or all bids without assigning any reason whatsoever as per the PCAL procurement rules and regulation 2025.

CLAUSE: 26 (Guarantee/Warranty)

- a) The bidder shall provide guarantee/warranty for the supplied products for the manufacturing defects. During the period the bidder shall render us free service of your engineer and make necessary replacement free of cost of any parts/components, supplied at our site.

CLAUSE: 27 (Packing and forwarding)

- b. The materials should be securely packed to ensure safety against any pilferage, loss damage during transit. The packing should be confirmed to the specification/regulation of the carriers/transporters. Also, Transit Insurance of the materials shall be arranged by the bidder.

CLAUSE: 28 (Supply order award):

- a. The Supply order shall be awarded to the lowest evaluated bid based on the bid evaluation and who meets the standards of technical and financial completeness and other requirements.
- b. The award of a contract shall be notified to the successful bidder by a Letter of Acceptance (LoA) in writing by registered letter, or by fax or any electronic means of communications. The successful bidder, if he agrees to conclude the contract, shall sign with date all original copies of the contract and the letter of acceptance and return one copy of each to the company within the 7 working days.
 - i. The LoA will constitute the formation of a contract until the work order has been placed.
 - ii. Failure to accept the award/sign the contract shall lead to annulment of the award and forfeiture of the bid security.
 - iii. PCAL shall have right to negotiate the rates of the lowest bidder, if required.

Contractor


Director/Chief Executive Officer

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INTEGRITY PACT

1. General

Whereas (Name of person) representing the (name of Agency), Royal Government of Bhutan, 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 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: -

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

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:

3.1 The Employer Commits itself to the following: -

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, favor 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.

3.2 The Employer further confirms that its officials have not favored 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.

3.3 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 3.2.

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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, including criminal proceedings may be initiated by the Employer and such a person shall be debarred from further dealings related to the contract process such a case while an enquiry is being conducted by the Employer 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: -

4.1 The Bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, 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.

4.2 The Bidder further undertakes that he has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favor, any Material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the or for bearing 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 favor or disfavor to any person in relation to the contract or any other contract with

4.3 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.

4.4 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 of 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 evaluations, 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: -

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5.1 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.
To immediately cancel the contract, if already awarded/signed, without giving any compensation to the Bidder.

The Earnest Money/Security Deposit shall stand forfeited.

To recover all sums already paid by the Employer.

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.

To cancel all or any other contracts with the Bidder. To debar the Bidder from entering into any bid from the government of Bhutan as per the Department Rule.

6. Conflict of Interest

6.1 A conflict of interest involves a conflict between the public duty and private interests (for favor 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 tender committee member must be declared in the prescribed form (attached).

6.2 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.

6.3 The successful bidder at any cost should not accept or recruit any of the PCAL employee's properties on hire.

7. Examination of Books of Accounts

7.1 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

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

9 Legal Actions

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

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10.1 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.

10.2 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.....

BIDDER:

EMPLOYER:

Signature:

Signature:

Name: Name:

Seal

Seal

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