Bidding Documents
for
Hiring of Excavator for PCAL Mines (2026)

SBD consists of:

1. BOQ
2. General Terms and Conditions
3. Integrity Pact

Building for the Future

Bill of Quantities
for
Hiring of Excavator for PCAL Mines.

1. Quote your most competitive rates against the works:

Sl. No	Details	Requirement	Rate per Hour in Figure	Rate in words
1	Excavator with bucket, Model 2018 and above, Equivalent to SK 220/210.	5 numbers	Nu.	

In words:

1. Rate/Hour with fuel ……..

The quoted rates should be clearly mentioned in both numbers and words.

.

Submitted:

Bidder's Name of the firm: ……..

Contact Number:

Email Address:

Date of Submission: ……..

Signature: ……

Official Seal:

PENDEN CEMENT AUTHORITY LTD. • GOMTU : BHUTAN •

Building for the Future

GENERAL TERMS AND CONDITIONS
for
Hiring of Excavator for PCAL Mines

CLAUSE 1:

1.1 Bids without the furnished documents shall be rejected out rightly (a, b, & c):

a) EMD: An earnest money deposit (EMD) of Nu. 100,000.00 (one hundred thousand) only, as a Bid Security or EMD in the form of Demand Draft/Cash Warrant or Unconditional Bank Guarantee. If Bank guarantee the validity should be of minimum two months to be submitted in favour of "Penden Cement Authority Limited" Gomtu. EMD may also be directly deposited in PCAL BOB accounts number 101731083 or BNB account number 0009760238012 and submit the deposit slip as a proof of deposit.

b) Valid License.

c) Valid Tax Clearance Certificate.

1.2 Model: The model of the 5 (five) Excavators (of any make) should be of 2018 and above and equivalent to SK 220/210 with a bucket. Along with the bid the bidder should submit the copy of Registration Certificate (RC). The bidder should produce a lease agreement letter/authorization letter, in case of any enrollment of machine other than his/her own.

1.3 Tender document to be completed in all respects, incomplete tender may lead to rejection of tender.

1.4 The bidder should deliver the bids in hard copy addressed to "Chief Executive Officer" PCAL in sealed envelope with adhesive tape or other sealant and shall be marked "Confidential", mentioning "Tender No. and name of the works" "Do not open before the specified date, month and time" and address of the bidder. Only bids through hard copy shall be accepted.

1.5 The bidders can participate during the opening and any representative should have the authorization letter to participate.

1.6 The bids should be submitted on 30th October 2026 on or before 12.00 Noon (BST). Any bid submission received after the stipulated time and date shall not be accepted.

1.7 The contract with the successful bidder shall be awarded for a duration of one year from the date of the award. Any extension to the order shall be at the discretion of the PCAL management.

Clause 2: Mode of Tendering

2.1 The mode of tendering for this particular works shall follow a "single stage single envelope", all the commercial documents and bid price shall be submitted in one single envelope.

Clause 3: Bid Validity

3.1 The bid shall remain **valid for a period of sixty (60) days** from the date of **Enquiry Notification** issued by the Company. During this period, bidders are required to keep their offers valid to allow the Employer sufficient time to:

- Complete the **comparison and evaluation** of bids, and
- Obtain all necessary **internal approvals** for awarding the contract.

If it becomes necessary to extend the bid evaluation or approval process beyond the original validity period due to circumstances beyond the Employer's reasonable control, an **extension of the bid validity period** shall be requested from all participating bidders. In such cases:

a) The request and corresponding responses shall be made **in writing** (by **letter, fax, or email**) to all bidders;

b) A bidder who **agrees to the extension** shall also **extend the validity of the Bid Security** accordingly. Such bidders shall **not be permitted to modify** the terms or prices of their bids;

c) A bidder may **decline the request** for extension. In that event, the bid shall be **disqualified from further evaluation**, but the **Bid Security shall not be forfeited**.

Clause 4: Bid Security (Earnest Money Deposit - EMD)

4.1 All bidders shall submit a **Bid Security (Earnest Money Deposit)** of **Nu. 100,000.00 (One Hundred Thousand Only)** along with their bid.

4.2 The Bid Security shall be submitted in the form of:

- **Unconditional Bank Guarantee**,
- **Cash Warrant**, or
- **Demand Draft**,

or as otherwise specified in the bidding documents. No other form of security shall be accepted.

4.3 The Bid Security shall remain valid for a period of **sixty (60) days beyond the bid validity period**, to allow sufficient time for action in case the security needs to be invoked.

4.4 The Bid Security may be **forfeited** under the following circumstances:
a) If the bidder **withdraws** its bid during the bid validity period;
b) If the bidder **fails to accept arithmetical corrections** made to its bid;
c) In the case of the **successful bidder**, if they fail to:

- Sign the contract within the stipulated time, or
- Submit the required **Performance Security / Security Deposit** within the prescribed period.

4.5 Upon award of the contract, the Bid Security of all **unsuccessful bidders** shall be **returned within fifteen (15) working days** of contract award.

4.6 The Bid Security of the **successful bidder** shall be returned only upon submission of the required **Performance Security / Security Deposit**, as stipulated in the contract.

Clause 5: Security Deposit

5.1 The successful party/contractor shall submit a **Security Deposit** of **Nu. 500,000.00 (Five Hundred Thousand)** for each machine, prior to the signing of the contract.

5.2 The Security Deposit shall remain **valid for the entire duration of the contract** and shall serve as a guarantee for the Contractor's performance of all contractual obligations. In the event of failure to fulfill any contractual obligations, **PCAL reserves the right to terminate the contract and forfeit the entire Security Deposit**.

5.3 The Security Deposit shall be submitted in the form of:

- **Unconditional Bank Guarantee (Original Copy)**,
- **Cash Warrant**, or
- **Demand Draft**.

No other forms of security shall be accepted.

5.4 The Security Deposit shall be **discharged and returned to the Contractor within thirty (30) days** of the **successful completion of the contract**, subject to the satisfactory performance of all obligations.

5.5 Failure of the successful bidder to submit the required Security Deposit or to sign the contract within the **bid validity period** shall constitute grounds for **annulment of the award and forfeiture of the bid security**. In such an event, PCAL may either:

- Award the contract to the **next lowest evaluated and substantially responsive bidder**, or
- **Call for fresh bids** at its discretion.

CLAUSE: 6 (Price and Fuel Price Adjustment)

6.1 The quoted price shall be in **Ngultrum (Nu.)** and shall remain **fixed and valid for the entire contractual period of one (1) year**. Price revisions shall be allowed **only in the event of a change in diesel fuel prices**.

6.2 Fuel price adjustment shall be applicable **only when the change in diesel price exceeds ±4%** of the base price. For every 1% increase or decrease in the diesel price beyond this 4% threshold, the contract rate shall be adjusted by **±0.30%** accordingly.

- The **base fuel price** shall be the **official diesel rate on the date of issuance of the Work Order**, as published by the relevant authority in the **vicinity of BOD (Border of Delivery)**.
- Fuel price monitoring and calculation of adjustments shall be conducted by the **Finance Investment Department (FID)** based on official market rates.
- Any such adjustment in contract rates shall become **effective only after 15 days from the date of the Work Order**.

CLAUSE: 7 (Execution of work)

7.1 All machines deployed at the site must be in **perfect working condition** and deliver **optimal performance**. If an excavator fails to perform as expected or is found to be underperforming, **PCAL reserves the right to reject the machine from the site**. In such cases, the **owner shall arrange for the removal of the machine at their own cost**.

7.2 The **to-and-fro transportation cost** of the excavator, from the owner's premises to the PCAL site at the start of the contract, and its return upon contract expiry, shall be **borne entirely by the owner**. All equipment shall be stationed and operated exclusively **within PCAL's areas**.

7.3 Each excavator must have a **fully functional service hour meter**. Additionally, the **operator must maintain a daily logbook** recording the actual working hours. This logbook shall be subject to verification by the **Head (MSD)** or an authorized representative.

7.4 In the event of **equipment breakdown due to technical issues**, the **owner must repair and restore the machine to working condition within one week**. If the machine is not operational within this period, the owner shall **replace the faulty equipment with an operational one** or **withdraw the defective machine from the site at their own cost**.

7.8 To ensure uninterrupted progress of work, frequent breakdowns of machinery will not be tolerated. In the event of a breakdown, the contractor shall **immediately replace the equipment** with a functional one of similar capacity and specification.

If the contractor fails to do so within the stipulated time, **PCAL reserves the right to hire the equipment from other sources** to maintain the smooth flow of work. Should the hiring charges from such alternate sources **exceed the original contract rate**, the **difference in cost shall be borne by the defaulting contractor**. This differential amount shall be **recovered from the contractor's pending or future bills**.

7.9 The safety and security of the excavator and operator shall be the responsibility of the owner.

CLAUSE: 8 liquidated Damages

8.1 Liquidated damages (LD) shall be calculated as follows:
a) If the Owner fails to deploy the machine within the approved period after breakdown the LD penalty of 0.05% per hour charges shall be deducted until the machine is not restored.

8.2 However, the total amount of liquidated damages shall not exceed ten percent (10%) of the contract price. However, the LD clause shall not be implemented in any case, if the non-fulfillment of the targets is affected by PCAL's own decision. For such the owner should obtain in written to avoid any unpleasant situation in near future.

CLAUSE: 9 Liability & Risk

9.1 PCAL shall not be responsible for any fines, penalties imposed by any regulatory authorities.

9.2 If any accident, loss of life and damages to PCAL properties the cost of life or injury shall be dealt as per the law of the kingdom but the property's damage shall be recovered from the owner's bill.

CLAUSE: 10 (Terms and Methods of Payment)

10.1 No advance payments shall be made and all the payment shall be made through the Bank.

10.2 Payment shall be made within 15 days from the date of submission of the running bill duly verified by Lead (CSU). In the case of the final bill, a minimum one month is required to process the bill.

CLAUSE: 11 (Force Majeure)

In the event, any delay by the contractor in performing his obligations under the contract is caused by force majeure, including but not limited to war, civil insurrection, fire, floods, pandemic, epidemics, earthquakes, quarantine restrictions and freight embargoes, such delay may be excused and the period of such delay may be added to the time of performance of obligation delayed. If a force majeure situation arises, the contractor/bidder shall notify the company in writing of such conditions and the cause thereof along with documentary or pictorial evidence acceptable to the company. Unless otherwise directed by the company in writing, the contractor/ bidder shall continue to perform its obligation.

CLAUSE: 12 (Settlement of Disputes)

12.1 The mechanisms for dispute resolution, intended to regulate events following the breach of a contract by one of the parties in case of more than one language shall:
a) Preferences for interpretation of the contract shall be considered in the English language if more than one language.
b) For contracts to be performed in Bhutan, the governing law shall be the law of Bhutan and the forum for mediation/ arbitration shall be done at our district court and the outcome shall be regarded.
c) However prior to turning to the courts or other tribunals an attempt to reach an amicable settlement should be considered with the parties.

CLAUSE: 13 (Bid form and Bill of Quantities)

13.1 The bid form shall be a letter addressed to the company with the bidder's commitment to accept and comply with the provisions of bidding documents, which are binding on them, and abide by the bid validity date and provide performance guarantees, if required, on award of contract. The bidder shall fill the bid form and

sign. Non-compliance would be treated as the bidder not accepting the terms and conditions of the bid documents and addenda issued thereafter, the bid shall be rejected.

13.2 BOQ, indicating the description and quantity of the works to be done and the corresponding unit shall be provided with the bid documents. The priced BOQ shall have the provisions for rates to be filled in by the bidders both in figures and words.

13.3 The prospective bidders may include or mention in the BOQ about any discount that may be offered on the quoted prices. The presence of alternate bids, if any, shall also be mentioned.

CLAUSE: 14 (Clarification on Bidding Documents)

14.1 If the bidder requires further bid clarification, the same shall be submitted in writing before the last date of bid clarification submission. The company shall respond to all the bidders who have acquired the bidding documents, including a description of the enquiry without identifying the source, as an amendment to the bidding document. Any bid clarification inquiry received after the last date of bid clarification will not be responded to.

14.2 Conduct pre-bid meetings to clarify doubts and concerns of the bidders prior to submission of bids if required. Minutes of the pre-bid meeting shall be circulated to all bidders who have purchased bidding documents. Non-attendance in the pre-bid meeting, if conducted, shall not be a reason for disqualification of bidders.

CLAUSE: 15 (Amendment of Bidding Documents)

15.1 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.

15.2 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. A suitable clause in the Invitation to Bids originally published on the website may be included to this effect making it very clear that the company shall in no way be responsible for any ignorance of the bidder about the amendment to the bidding documents.

15.3 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: 16 (Language of Bid)

The Bid, and all correspondence and documents related to the bid shall be in English and should be translated in English if the language is foreign, the translation shall prevail on the interpretation.

CLAUSE: 17 (Modification and Withdrawal of Bid)

17.1 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 as prescribed in the bid documents. The bidder on re-submission shall write on the inner and outer envelope additionally marked as "Modification" or "Withdrawal", as appropriate. The company shall accept the bid (modified bid) as per the bid submission schedule as indicated in the bid documents and not thereafter. Bids once withdrawn shall not be accepted.

17.2 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified in the bid document, neither any modification will be accepted in such cases the EMD shall be forfeited.

CLAUSE: 18 (Treatment of abnormally low or high bid)

18.1 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.

18.2 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.

18.3 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 and re-tendering or Limited Bidding procedure may be adopted as considered appropriate after revisiting the estimated value determined by the company.

CLAUSE: 19 (Penalty which will lead to direct termination of the contract, forfeit and restrict participation in the same tender if PCAL decides to re tender it)

19.1 Not exercising the contract after the award of the work order and leaving the contract halfway without any consent of the PCAL management.

19.2 The Contractor shall be removed immediately if any written complaint of more than two is served during the contractual period.

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

CLAUSE: 20 (Contractor's Tax)

Tax @ 2% shall be deducted from the bills payable to the contractor, TDS certificate shall be furnished from the Finance Investment Department if required.

CLAUSE: 21 (Tender Prices)

21.1 The Tendered prices should be typed or written in hand in English in the Price Schedules of the tender documents in ink both in words and in figures. In case of any discrepancy in the rates between words and figures, the rates in words shall govern and in case of discrepancy in rates and amount, the rates shall govern and the tender document to be properly sealed by wax.

21.2 It shall be presumed that the Bidder has carefully examined the terms and conditions, as contained in the Tender document/Specifications thoroughly and carefully, and fully acquainted himself/herself with all the details of the site conditions, location, weather characteristics and all other information and data pertaining to the work. In fact, the offer may be prepared by the Bidder only after taking into account all the obligations as stated in the Tender documents for the proper and timely execution of the work, compliance with all the statutory rules and regulations, as applicable, and payment of all royalties, insurance fees etc. in connection with the work, all at his own cost.

21.3 The Bidder may visit the site prior to submission of the tender to collect more information on site condition at their own cost.

21.4 PCAL shall not entertain any claim, after the award of the work, on the plea of incomplete information on site conditions and/or on incorrect understanding of the stipulations in the Tender documents.

21.5 It shall be the responsibility of the Bidder to request for any missing document. In absence of any such request the Bidder shall be deemed to have received and read all documents.

21.6 All pages of the Tender documents including addenda/corrigenda, if any, should be initiated at the lower left hand corner. The tender should be signed by the Bidder. In the event of the tender being submitted by a firm, it must be signed by each partner thereof, and in the event of the absence of any partner, it shall be signed on his behalf by a person holding a Power of Attorney authorizing him to do so, certified copy of which shall be enclosed.

21.7 No alterations or modifications should be made in the contents of Tender documents. If corrections are needed while filling in the tender, the same shall be made by the Bidder with his dated signature. Any tender

PENDEN CEMENT AUTHORITY LTD. GOMTU : BHUTAN

that is not accompanied with the complete set of 'Tender documents' and/or which does not include prices of all the items in the Price Schedule shall be considered incomplete and shall be rejected.

21.8 PCAL reserves the right to extend the date of submission of tenders. PCAL also reserves the right to revise and / or amend the Tender documents, prior to the date notified for the receipt of price bids or the extended date for the same. Such revisions, amendments or extensions, if any, shall be communicated to bidders / suppliers through letter or by a Fax / e-mail / telephone as may be considered suitable.

CLAUSE: 22 (Employer rights)

Employers reserve the right to reject/accept any or all tenders without assigning any reason whatsoever.

CLAUSE: 23 (Award of Contract)

The acceptance of a tender and award of contract to one or more than a bidder, if considered necessary, rest with the employer if shall not obligatory on the part of the Employer to accept the lowest tender the employer would be at liberty to accept any tender, lowest or otherwise is whole or impart and to reject any or all the tender received, without assigning any reason, and no explanation can be demanded by any tender in respect there to.

CLAUSE: 24 (Contract award)

24.1 The contract shall be awarded to the bidder whose bid has been determined to be the lowest evaluated bid based on the bid evaluation and who meets the standards of capability and financial resources specified in the bid documents.

24.2 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, that its bid has been accepted indicating the award price. When the company has been notified that it has been awarded the contract by such notification, the LoA will constitute the formation of a contract until the contract has been affected.

24.3 The company shall ensure that award of contract is completed within the period of the validity of the bid. Failure of the successful bidder to accept the award/ sign the contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security.

24.4 The LoA shall include, among others, the following information:

a) The date of the award decision,
b) The contract price to be paid for the works,
c) Requirement of performance security,
d) A copy of the contract form provided in the bidding document incorporating all agreements.

24.5 Where it is not possible for both the parties to sign the contract simultaneously;
a) The company shall send to the successful bidder two original copies of the full contract together with the LoA signed by its duly authorized representative together with the dated signature;
b) The LoA shall indicate the deadline which shall normally be not more than fifteen days by which the successful bidder must accept the award and sign the contract;
c) The successful bidder, if he agrees to conclude the contract, shall sign and date all original copies of the contract and the letter of acceptance and return one copy of each to the company before the expiry of the deadline indicated in the LoA;

24.6 Following documents from the contract are to be taken as mutually explanatory of one another.

a) The Contract Agreement;
b) Letter of Acceptance;
c) Bid and Appendix to bid;
d) Special Conditions of Contract;
e) General Conditions of Contract;
f) Prices Bill of quantities;
g) Any other document forming part of the Contract.

OR the whole tender document which is sealed and signed is considered equally of having all the complete documents as required and qualifies clause 25 for award of work.

CLAUSE: 25 (Fraud & Corruption)

The Anti Corruption Commission (ACC) of Bhutan requires that the company, and the Bidders/ Contractors/ Contractors observe the highest standard of ethics during the procurement and execution of contracts. In conformance with ACC guidelines an Integrity Pact shall be signed by the company and the Bidders/ Contractors/ Contractors.

Clause 26: Force Majeure

26.1 In the event, any delay by the contractor in performing his obligations under the contract is caused by force majeure, including but not limited to war, civil insurrection, fire, floods, epidemics, pandemic, earthquakes, quarantine restrictions and freight embargoes, such delay may be excused and the period of such delay may be added to the time of performance of obligation delayed. If a force majeure situation arises, the contractor/bidder shall notify the company in writing of such conditions and the cause thereof along with documentary or pictorial evidence acceptable to the company. Unless otherwise directed by the company in writing, the contractor/ bidder shall continue to perform its obligation.

26.2 In case of any lock down imposed by the Royal Government of Bhutan/Dzongkhag or notice from the regulatory authorities the actual numbers of days affected shall not be liable for any penalties and in similar manner the contractors shall not demand for any payment.

CLAUSE: 27 (Contract Management)

27.1.1 **Contract Supervision and Administration**

Contract supervision and administration will be undertaken by the Mines Supply Division. The owners should keep in constant touch with the Head of the Mines or any assigned Officer by the Authority himself, for day to day business.

Contractor

Director/ Chief Executive Officer

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 canceled.

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.

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.

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 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 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 offense 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: -

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.

a) The Earnest Money/Security Deposit shall stand forfeited.

b) To recover all sums already paid by the Employer.

c) 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.

d) To cancel all or any other contracts with the Bidder.

e) 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

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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